

CANADA'S WEEKLY NEWSMAGAZINE

Maclean's

MAY 10, 1982

\$1.00

THE BATTLE FOR THE FALKLANDS



19

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EDITORIAL

A nation's quest for new faces, open minds and fresh solutions

By Peter C. Newman

Last week's unexpected Saskatchewan election victory of Grant Devine marks more than the defeat of Canada's first premier who has a PhD and mellow by polishing horseshoes and chiseling tool-pieces. His abrupt emergence on the national scene is the most dramatic indication yet of how fed up with the current crop of politicians—even as intelligent and honest a practitioner as Allan Rock—Canadians have become. Few of the men and women who hold public office in this country have anything new to say. The dominant national mood is one of seeking inertia grown out of opportunities lost, challenges unmet and directions unfurnished.

The problem is that any multiparty system, federal or provincial, rests on an article of faith, on the notion that at least one of the choices available to the voter is worthwhile. When this ceases to be true, alienation spreads across the country like a great fog bank. (Only Newfoundland Premier Brian Peckford managed to get himself re-elected recently, and he did so by running against his own record in office.)

As Gordon Legge notes in his perceptive article (page 23), western separatism is rapidly becoming the country's most dynamic political force. The West's anger is justified. An increasing number of Canadians

west of the Labrador are abandoning hope that the central government will ever heed their demands. Their economic existence is governed by political forces over which they have little control. The \$16-billion Alberta project, gratuitously crumpled last week, was yet another sacrifice to political disharmony. Only four years ago, it might have been built for \$3 billion—and be almost on stream by now. Ottawa's policies have forced a decline of 28 per cent in Alberta's oil-drilling activities in 1981 and a further drop of 15 per cent this year.

As E.H. Asper, chairman of Winnipeg's Carwest Corp., noted recently: "The vast majority of westerners are committed Canadians first and foremost, provincials secondly and regionalists last. One thing they are not, is separatists. Western Canadians do not want to see Canada governed by a committee of 11 prime ministers. What we do want and need is a strong central government, which reaches its decisions with fair input from the people of each province and has the constitutional power to govern and make Canada work equitably for all her citizens in each province."

Without taking anything away from Grant Devine in his hour of triumph, it seems clear that his upset was yet one more signal to the politicians that Canadians are mad as hell and are not going to take it anymore.

May 10, 1982

Maclean's

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David W. Maclean

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Managing Editor

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David W. Maclean

Managing Editor

David W. Maclean

Group Vice-President, Corporate Services

David W. Maclean

Assistant

David W. Maclean

Managing Editor

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Deputy Editor

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More patriation

For a *Editorial of a Nation*, as you call your cover story in the April 26 issue, it is not enough simply to patriate the Constitution from the British. We must also patriate the economy from the Liberals so that the next budget can be accomplished in less time than the constitutional agreement.

— BRIAN TREMPERSON
Oshawa, Ont.

Armchair roughnecks

Bravo for Gerety and bravo for Flett, Shiller and a *Canada's Doctor* (March, April 86). With his usual flair and acerbic wit, Allan Fetheringham describes only too clearly the mindless ridicule that tourists these days don't conform to the deepening trend toward violence in sports. It's a disgrace that such efforts young people's sports, professional sports—and should concern us all.

—DAVID CRITCHFIELD
President
Canadian Council on
Children and Youth,
Ottawa

Perpetuating nuclear myths

I was quite taken by the lead paragraph in your March 29 *Following* about the Three Mile Island disaster. You state that the four large arms rising up from the central nuclear reactors, thus perpetuating a myth to which *Twilight Zone* fans added real hope when he wrote during the 1979 incident. "Steam drifted



Only one step toward a new beginning

out of the tops of the four cooling towers and ran down the side like candle wax. The steam was not, laden with radium." Besides knowing that they were cooling towers, at least, not reactors. The cooling towers had nothing to do with the TMI incident. They are not used to cool the reactor. They are used exclusively to cool the steam that generates the electricity, recirculating the steam back into water that is recycled to boil again. Many nuclear power plants, including all CANDU reactors in Canada, don't use cooling towers. Rather, water is pumped from lakes to condense the steam. The lake water is recycled back to the lake in a separate circuit and the steam water is recycled back to the reactor core for heating. On the other hand, power plants that burn coal, oil, or natural gas do not wa-

ter to generate electricity frequently use cooling towers for the same purpose as TMI. Notwithstanding the above, I found it very refreshing to read a *Monline's* article about nuclear power that ends on a somewhat positive note. Perhaps some day even a somewhat positive note might emerge from a story about Canada's reactors.

—T. DAVID SMITH
Director of Information,
Ontario Nuclear Limited,
Ottawa

Treating doctors fairly

Your April 26 article (*A Doctor a Day Keeps the Doctors Away, Canada*) and my own recent experience with medical care in Ontario force me to speak out. After nearly 50 years of excellent health, I encountered a chronic, debilitating illness that has resulted in more than average exposure to medical care and doctors. I fully sympathize with the position expressed by the doctors. My family physician spent out of our lives. The two specialists I have been seeing weekly for over a year have not. In all cases, I know that the hours these doctors spend working and studying to keep up with the latest professional knowledge are incredible. The return on their investment is at best meagre. It is regrettable that Ontario doctors have elected to resort to such drastic and unpopular measures as recommending the denial of some emergency services for short periods of time. Perhaps there is a better method of correcting the current imbalance, but, unfortunately, it appears that nothing short of public pressure will force the application of logical fairness.

—G. DUNN
Ottawa

When a space shuttle goes into orbit, a piece of Saskatchewan goes with it.



In addition to its various other projects for the space industry, SED Systems Inc. of Saskatoon was involved in the development of the Canadian for the Columbia, and will be extensively involved in the design of instrumentation for Space Lab VI.

Advanced technology is a sign of progress and growth in Saskatchewan. We've become a technological leader. We've developed or attracted a variety of computer-age businesses, and supplemented them with outstanding research and development facilities.

Saskatoon, in particular, is a high technology centre — an excellent environment in which to locate a new business. Northern Telecom, a world leader in fibre optics, is here — to manufacture and install the world's largest fibre optics network. Devcon Electronics, an internationally known data communications manufacturer, is here. And so is PhilcoCorporation, a new Canadian fibre optics firm.

INNOVATION PLACE Western Canada's most advanced (and also first established) research park, is located in Saskatoon as well as one of the few research facilities in Canada for the food and feed industries.

Saskatoon is leading the way in agribusiness, micro electronics, and mining research and development. The University of Saskatchewan, situated in the city, is contributing to major developments in the life sciences area.

The technological environment for research and growth is here, in Saskatoon. Saskatchewan. Consider being a part of this environment.

Consider Saskatchewan.
Canada's future business attraction.



Government of
Saskatchewan

PASSAGES



JOHN DUNE Greta Johnson, 74, a distinguished actress who, in a career that spanned 54 years, personified the English girl in love in costume and on the screen. In *On the Beach*, Johnson is perhaps best remembered for her role in the 1945 film *Brief Encounter*, the poignant love story of two comfortably married people who meet on a commuter train. Her co-star, Trevor Howard, died last week. "She was simply the best actress I have ever worked with."

ELITE Politically independent banker Alberto Mazzola, 54, to the provisional presidency of El Salvador by the Constituent Assembly. The vote of 36 to 17 in the 60-seat body followed several days of political wrangling among the centrist Christian Democrats and

five rightist parties. The U.S.-educated Mazzola, a moderate conservative, has pledged to make economic recovery a priority in the country where leftist guerrillas have been battling rightist leaders since 1979.



EDIE Jack Benny's longtime straight man, hearty announcer Don Wilson, 55, of a stroke is a Paris, Springs, Calif., hospital. Wilson joined Benny's radio show in 1954 and, along with regular Edie (Rochester) Anderson, Donnie Day, Benny's wife, Mary Livingston and others, made the transmission to television in 1959. The TV show ended in 1965.

NOTE John Patrick Cardinal Cody, 74, the autocratic Archbishop of Chicago, the largest archdiocese in the United States, of heart failure in a Chicago hospital. Cody spent 34 years in the city,

winning respect for his strong-willed defense of church doctrines. His last months were spent denying allegations that he had diverted up to \$1 million in church funds to his stepsons. **DEAN Wilson**

CRIMINAL Lawyer Leonard C. Jones, 55, a former Ontario, N.B., mayor and independent member of Parliament from 1974 to 1978, with income tax evasion on charges of more than \$200,000.



CRIMINAL Vancouver architect Arthur Erickson, 55, to plan the new \$16-billion CIBC Dominion Centre in Washington, by risk-taking. The choice aroused a hostile response from opposition firms because architect ignored the suggestion of a connection that it had as architect to select four districts. Erickson, a friend of *Thore Freidrich's*, was not among the four.

IS YOUR BANKER, BROKER OR TRUST COMPANY GIVING YOU ENOUGH AMMUNITION TO FIGHT INFLATION?

It used to be that having a few dollars in the bank and a couple of stocks meant you'd keep ahead.

Not so today. Times are tough. Inflation is the number one enemy of your dollar and there's no sign of relief.

You probably need more inflation-fighting ammunition than you're getting now.

That's where your Investors advisor comes in.

Together you'll draw up a co-ordinated plan of attack on inflation. A plan that considers your present circumstances, future needs and even your investment "comfort zone". And one that maps out how and when to put every last dollar into action.

Then, you'll choose from the widest range of financial services available under one roof.

Money accumulation plans to help you save. Income Deferral Certificates. Nine investment funds, all with proven track records. Guaranteed Investment Certificates. RRSP's. (If you don't have one, it's a good place to start.) Your advisor can even show you how to buy life insurance as a hedge against inflation.



You'll be making solid, reliable investments that are right now helping thousands of Canadians enjoy living instead of worrying about the cost of it.

In times like these it takes better planning and more services to beat inflation. If you're not getting them from your banker, broker or trust company, talk to an Investors advisor.

And start fighting back.

To contact an Investors advisor, just look in the phone book under "Investors". Or write our Head Office: Investors Syndicate Limited, 280 Broadway, Winnipeg, Manitoba R3C 3B6.

Investors
PROOF FROM OUR EXPERIENCE



**"WE CAN
SHOW YOU
MORE WAYS
TO FIGHT
INFLATION."**

Claims for the Holy Land

Muslims and Christians have as much or more claim to descent from the ancient inhabitants of the Holy Land than modern Jews, yet your writers gleefully accept the claim that the present-day reality is the return of a people to their ancient homeland (The Struggle for the Holy Land, Cover, April 12). You are fit to witness the deaths of 60 Jews in Hebron at Arab hands. In 1929, but not, for example, since 85 civilian Arab deaths at Tantura in April, 1948, or the hundreds of flight's Iraqi, or the massacre of 65 Arabs in Qibya village on the night of Oct. 14, 1960, at the hands of the Israeli defence forces. Your article assumes that Israel's security needs are the basic consideration, although the history of the conflict from the First World War to the present rather suggests that it is the security of Palestinian Arabs that has been the greater jeopardy. —RAY CLEVELAND
Beyron



Arabs do mourning in Palestine

Scoring points with cheap shots

Regarding Allan Petheringham's column *Some Shop While Others Star* (April 19), while I agree with his remarks on this country's legislative morality, I would like to dilute the following. It is true that Victoria Mayor Peter Felton "frits about" politically, has major friction with the federal, and not provincial, Tories when he brags and failed to gain the *Equinox* Search nomination in 1979. Victoria has a tend to be conservative, but I strongly resent being labelled a "light-suit, pollen-suffing VAND". We are

far from all being wicks, and I do not make a habit of suffing pollen, be it flower or magical. As for the bookies "trumping the tulips on Government Street," the flower beds are nowhere near that size. Moreover, the Parliament buildings are fit up like a Christmas tree (originally in honor of Queen Victoria's jubilee) and are not foodfit à la Disneyland. I suggest that Mr. P stick to his sometimes humorous distortions of the facts rather than throwing cheap shots which can only be intended to score points in the never-ending "New-Westminster-shall-it-be-the-capital-of-B.C." feud. —BOB FALKNER
Victoria

Banished to Bombay

With reference to your April 10 Theatre piece, *For the Sale of Experimenting*, your critic maintains that the play *Pandemonium* has been poorly received. As a veteran of the Second World War, I don't doubt that things are going poorly. If two second lieutenants had come into our mess with hair as long as that worn by the actors in your photograph the mess would have had them thrown overboard. —LARRY MACDONALD
Ottawa

Refusing to submit to science

It may be true, as Bill MacVicar declares, that science has been unable to prove that the Shroud of Turin is not genuine (Among the Unbelievers, Television, April 10). But to argue, therefore, a certain impetus to believe is not justified. The "Shroud" has so far simply refused to submit to the shroud to

the kind of tests, such as radiocarbon dating that might directly show it to be a 14th-century work of art. Such pathetic and self-serving intellectual cowardice on the part of the shroud's guardians does not diminish science in the least. Science can't "bore" when it is stubbornly prevented from playing the game. —RAE JAMES LOCKE
Saskatoon, Sask.

A poor test, not poor students

I applaud your bias in favor of teaching more history in schools (*History's Last Stand in the Classroom*, Education, April 5). This is a position I have been defending strongly in my four years as an education student at the University of Alberta. I wish to clarify, however, one point noted in the article—the "geography, civics and history" test administered to students in 1981. This is the "Canadian Awareness Test," which has been severely criticized within the province since its birth. Such questions as "Who were the first men who founded the Calgary Stampede?" form a large portion of the test—certainly not examining basic historical knowledge. It was therefore unfair to single out Alberta as possessing an especially ignorant student body. —ROSE FAVRE
Edmonton

The nightmarish truth

I am writing in response to the article on advertising in the April 19 issue, *A Blast of Shocking Ads*, by John Wilson. He says that the ads put out by the provincial governments concerning drinking and smoking are becoming more and more "nightmarish." If they are, it is only because they are showing the truth. What's more, Wilson says "viewers must suffer" through these ads. The only people who suffer are those who can't bear to see the reality in the world. —DANIEL SILVER
Toronto

How do we react to El Salvador?

Regarding your story on El Salvador, *Its Election: Wild Card in the Pack*, April 5, bearing in mind that Honduras' recent massacre in British Columbia, I think it would be preferable to have someone east of the Rockies ask him to telephone Mr. Alexander Haig in Washington. Then we would discover what Canada's new foreign policy toward post-shock El Salvador will be. —DORIS CHALMERS
Vancouver

Letters are edited and may be condensed. We would supply no more address and telephone number. Mail correspondence to: Letters to the Editor, *Maclean's*, 221 University Ave., Toronto, Ont. M5G 1A7.

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Slum area of San Juan, an open invitation to Cuban and Soviet doublemaking

An isle buffeted by hot and cold American winds

By William Scottie

On the Condado, San Juan's main tourist strip, where sandy hotels and casinos crowd along palm-fringed, half-moon bays that open onto a glossy, silt-littered ocean, it's business as usual. The beaches are blue-lined with tan-and-white-sand New Yorkers who fly down on the \$94 night special. Casinos which span Hawks and bustlers work the busy bars. Dances thrum relentlessly into the triple dawn. If tourism was slightly off in the Caribbean high season because of the U.S. recession, tourists didn't come away with a feeling that the Puerto Ricoers in this hot side of real estate, 1,600 km southeast of Miami, were exactly suffering.

The few who drove over portknot roads to the island's southern shores found a very different scene. Here, Italian youngsters patrol the sidewalks, looking haplessly far away to make a buck. In the dusty heart of Ponce, one of the largest cities, unemployment tops 50 per cent. Island-wide, 30 per cent of the labor force is jobless. Sister Isolina Ferré, a Catholic nun who runs a federally supported poverty program in

Ponce to find work for young adults, has lost one-third of her funding under U.S. budget cuts. "The poor are truly suffering," she says. "I don't understand why this is happening."

It's happening because Reaganism,

designed for U.S. hee-ho with little attention to such anomalies as Puerto Rico, is devastating the economy of this poor, overcrowded island, a U.S. colony in all but name. Until recently, an astonishing 50 per cent of Puerto Rico's 3.5 million people relied on food stamps for many necessities. That program will end in July, as its place will be a block grant to be administered by the poor by Puerto Rican officials. In total, federal aid will be cut by about 25 per cent. Meanwhile, recession-scared American capital is in flight as a string of major corporations—Coca-Cola with its Gai, Pittsburgh Plate Glass—close their Puerto Rican operations, sifting their assets. Federal cuts in U.S. corporate taxes have made Puerto Rican tax concessions redundant.

A bumpy drive along narrow country roads reveals tar-paper-and-tin shack towns teetering on abandoned land. Desperate Puerto Ricans are falling back on subsistence farming, a way of life outsiders thought they had abandoned 30 years ago when Puerto Rico was known as "The porthouse of the Caribbean." But far from it, it might well revert to that status. Says economist Raulo Gutierrez of the University of Puerto Rico: "There is no Puerto Rican economy anymore."

Discovered by Columbus in 1493, this hairy island of trade winds, white sand beaches and bird-battered rain forests remained part of the Spanish empire until 1895, when Spain granted autonomy. Eight months later, U.S. marines snatched freedom away as Puerto Rico became another U.S. prize in the Spanish-American war. Until 1947, governors were Washington-appointed Americans. Although islanders now choose their own legislatures, they cannot vote in U.S. elections. After the Castro rev-

Violent police break up a demonstration by striking students. Killed park



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We're Occidental Life of Canada. And, along with Participation, we've developed a booklet that will stimulate your mind so you'll stimulate your muscles. It's called "Fitness Head On."

It tells you how to set realistic goals. It dispels common misconceptions. And, finally, it helps you overcome the frustrations and excuses you use to avoid exercise.

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We hope our booklet can help make up your mind to exercise.

We want you with us.

Occidental Life
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"Gulf Canada acknowledges intelligence on the part of the Canadian public."

Letter from L.J. Hughes,
Edmonton Alberta

Last spring, we asked some well known Canadian journalists how Gulf Canada could communicate better with fellow Canadians. They told us bluntly that we should be more open with facts, dispel the mystery around the oil business, and open a dialogue with the public.

Our series of messages have stimulated responses from more than 200 Canadians every week. Most, but not all, letters have been favourable.



John Stolk
President and Chief Executive Officer
Gulf Canada Limited

"We are convinced that a better understanding between business and the public is one of the most important steps toward a revitalized Canadian economy." Gulf Canada President, John Stolk, said recently.

There are more than 10,000 Canadians working in Gulf Canada. That includes the President and the Chairman of the Board. Canada is our country, where we earn our living, build our homes and raise our families. It bothers us, at times, to be kidded because we work for a "grey, faceless corporation".

But the response to our series of messages about Gulf Canada has been reassuring.

L.J. Hughes of Edmonton wrote:

"When the oil companies decided to go public with their messages several months ago, I greatly feared that we, the public, would be bombarded with the usual profit-driven designed to obscure and manipulate.

What Gulf has presented is an attractive and very informative advertisement which acknowledges some intelligence on the part of the Canadian public."

The Canadian sense of fair play is revealed in many of the letters.

"Apparently few people realize that taxes are far more than the pittance paid the shareholder who is low man on the totem pole and is taxed on what he gets." Mr. J.S. Vanderploeg, Toronto.

Robert O. Westmacott of Winnipeg writes:

"Corporations, such as Gulf, Imperial Oil, Shell, Texaco and many others did not reach their present stature

by being tax evaders or by being deceitful and unfair to the consumer."

One anonymous person scrawled on our 75th Anniversary advertisement, "The Government of Canada should have listened to Walter Gordon years ago and sent all multi-corporations packing". As an afterthought, under the picture of Gulf Canada executive Des Ringland, he/she wrote, "No offense to this good Canadian".

Scores of letters have come from company presidents, marketing directors, engineers and civil servants requesting information about Gulf Canada Centre, our energy efficient building in Calgary, and about Gulf's technological advances in drilling in the Arctic.



This is one of hundreds of letters Gulf Canada has received from students and teachers asking for further information on the oil industry, energy conservation, investment. We are pleased. Today's students are tomorrow's energy users. We send Desny Marshall illustrated articles and information about the Arctic. Our letter said "Good luck with your Science Fair project. We hope you make it three in a row."

Andre Levesque, an engineer in Sherbrooke wrote:

"...my congratulations on your carrying out such a program of energy conservation and my gratitude as a Canadian for the way Gulf Canada serves our energy."

We have received requests from educators for reprints of our advertising to be used in classroom discussion of communication.

"I would appreciate receiving copies of the history of Gulf and their recent financial performance. Grades 8 and 4 study a lot of contemporary issues and I believe that information about a company such as Gulf Canada would be extremely helpful."

Patrick A. Derby, Kingston.

Hundreds of students from schools and universities have asked for facts and figures about Gulf and about the petroleum industry. This pleases us, for the more the coming generation knows about energy, the wiser they will be in its use of energy.

and the better they will understand its impact upon the economy.

Peggy Ng, visiting Canada from Hong Kong, wrote:

"Gulf's energy efficient building...is really fantastic and very advanced. I would appreciate it if you could send me more information."

Our message on the economies of energy stimulated many outspoken comments.

"[Your ad] was right on the money! I feel that there is a growing public awareness of the true situation regarding risk and adequate compensation. You are to be commended for your efforts." David Hill, Perry Sound

"I hope you will continue your advertising...developing a better understanding of the role of the private sector in our society."

Charles M. Dea, Vancouver.

"You'll have to keep at it - the lack of understanding on the part of politicians and many Canadians about the

importance of Canadian self-sufficiency and the need for world peace is simply colossal."

E. Richard Fisher, Ottawa.

"Your advertisement...made so much sense that I wonder what direction Ottawa is taking us. Why is our government so insistent upon sending our good Canadian dollars out of the country for foreign oil imports?"

John H. Pavey, Toronto

When you consider that each of these letters required someone to find some writing paper or a postcard, a stamp, and take the time to write, we are astonished at the volume of responses to our information messages. And very pleased.

The more communication between industry and the public can be two-way, the better it will be for the Canadian people.

We want fellow Canadians to understand that the people of Gulf Canada are Canadians too. Our hopes for Canada, its energy security, its environment and its prosperity are as strong as every Canadian's.

If you want to learn more about Gulf Canada - how our money is spent, where we are exploring and developing energy in Canada and what we are doing to help stimulate the economy, write for our 1981 Annual Report to Mr. R. H. Fenner, Director - Public Affairs, Gulf Canada Limited, 130 Adelaide Street W., Toronto, Ontario, M5H 3R5.



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Complimentary headphones. Inflight slippers. A choice of hot entrees on lunch and dinner flights. Champagne breakfasts. With cocktails, fine wines and liqueurs.

In First Class, we offer food service that rivals the finest restaurants. And we're installing full length reclining Loungeaire seats.

We can arrange convenient connecting flights from any of our destinations to most of South America.

So the next time business travel takes you to South America, call your travel agent and fly CPAir. The world-wise airline.

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leton in Cuba, Puerto Rico became the new playground for wealthy east-coast Americans. Investment flowed in. The system of statehood was mooted.

Last January Rafael Ángel Ruíz, came out boldly in support of the idea, and the island's governor, conservative democrat Carlos Romero Barrantes—described by White House aides as "a devoted America"—was "fucked" (in the idiom of the conservative press). The island's population is now roughly divided between making their mind the next U.S. state and preservation of the status quo, with a vocal, violent minority fighting for independence.

While most businessmen swear that independence would be disastrous, the movement is picking up strength as unrest grows. A strike over the tripling of fees crippled the University of Puerto Rico from September to February and it would be the precursor of worse troubles. The governor blamed the strike as "communist-inspired" and sent in clashing riot police with tear gas to break up campus meetings. Skull-cracking clashes radicalized many of the 20,000 students—some were traditionally a conservative, Catholic bunch, some were refugees from Cuba.

In his 1974 book, *Notes on the Puerto Rican Revolution*, Gordon Lewis, a British expert on the Caribbean and senior professor at the University of Puerto Rico, predicted a spiral of strikes, police violence and terrorism that would paralyze the island. It appears to have started.

During the past year, water mains and power and communications lines have been sabotaged. A terrorist group, the *Macheteros*, sabotaged two substations of the Puerto Rico Electric Power Authority, blacking out the tourism-oriented San Juan after the utility cut off power being illegally tapped by a squatter's village. The same group last year destroyed nine air force planes on the ground at Motus Air Base near San Juan.

In New York, in February, the terrorist *Armée Puero de National Libération (APNL)* bombed the New York and American Stock Exchanges, along with other buildings. *NYU* director William Webster recently described a *NYU* terrorism as "America's Achilles' heel," citing 120 bombings in and around New York—how to cause that a million Puerto Ricans—in the past seven years. Last December, the White House itself received a letter bomb—postmarked Puerto Rico. It was destroyed and failed in time. Reid Webster, "Democrat" in Puerto Rico is an open invitation to Cuban and Soviet troublemaking.

Nevertheless, the U.S. state department thinks of the island as—in the words of George Bush's deputy counsel,

Rafael Cigo—"A showcase of democracy in the Caribbean and a stepping-stone to Central America."

Cut. Gov. Romero Barrantes' team restore the showcase glow? His advisers freely admit that long-range plans went out the window when the Reagan administration came in, and to date little has been done to find new answers. As Manuel Chao, junior partner and publisher of *Caribbean Business*, says, "There's no leadership," and the governor's solution to the economic mess is to "talk statehood"—the Reagan administration's core-ail.

But that, if it comes, is years away. Few people really know what it might bring in the short term, in Washington, Baltimore, or Miami. But, a congressional member of Congress, predicts another massive exodus of his fellow islanders to the mainland in search of a better life. And 1,200 km to the west, in Cuba, Fidel Castro and his Soviet friends watch with keen interest the island that Reagan, in his presidential campaign, called "the Caribbean new norm" or "Marxist-Leninist competitors have to grow."

**GORDON'S GIN.
CLEARLY WORLD CLASS.**



A maverick of medical research

By Mark Carmichael

The door to Dr. David Horrobin's Montreal apartment doesn't open easily, but the hospitality of the host is not to blame. He quickly pushes aside an archaic wooden cabinet the door by an array of filing cabinets frothing at the drawers with scientific papers of every description. The living room surrounded again and again by endless racks of bookshelves around its massive fireplace, a Ping-Pong table laden down with more papers, reference works and dead specimens of evening primrose, a common North American weed whose oil Horrobin is marketing as a health supplement.

His home reflects his state of mind. Horrobin is that rare commodity in the world of science, a profound thinker who has, according to Dr. Henry Friesen, professor of physiology at the University of Manitoba, "a voracious ability to free association, to synthesize a unifying hypothesis in the most imaginative way." Brilliant and outspoken, Horrobin's speculations on subjects ranging from science to schizophrenia have made him the maverick of the Canadian medical research establishment.

Controversy clings to Horrobin like a fly to a wall. His most notorious hypothesis is that cholesterol (most commonly known under Hoffmann-La Roche's trade name Valium) accelerates the growth of malignant tumours. Horrobin's public announcement of his findings, following the rejection of several grant proposals to confirm his data by the Medical Research Council (MRC) and the National Cancer Institute, led to a demand for his resignation from Montreal's Charest Research Institute in 1979. Horrobin then quit academia to devote himself to Effarad Research Inc.

(ERI), a company he had founded a year earlier. He has, work has focused primarily on the healing properties of primrose oil. This alone has been enough to raise eyebrows, but it is Horrobin's complete cheerfulness to commercialize that academics find truly offensive. He sees fat as more than a drug company, however. As editor of

general intelligence" in his relations with organizations. He is not a company man. He reacts from the gut when crowded and burns bridges readily rather than compromising diplomatically. Born in Liverpool in 1928, he capped an outstanding career at Oxford by publishing a radical textbook whose basic premise was that, in Horrobin's words, "We don't know much about medicine. Everything is in flux—the last thing you want to teach students is to be dogmatic."

While at Oxford he indulged his love of travel by spending summers as a "flying doctor" in Kenya (he later wrote a guidebook on that country) and investigating blood-growth toxins in Nepal. After receiving his PhD in neurophysiology and completing postdoctoral studies in 1968, he moved to Montreal to share the university department of physiology. When Canadian Research Institute director Jacques Gossart visited the university, he was tremendously impressed by Horrobin. Convinced the Englishman was the most brilliant scientist he had ever met, Gossart invited him to the institute, an offer Horrobin did not accept until 1975.

When the chaperon story broke four years later, Gossart felt deeply betrayed by what he considered

Horrobin's underestimation of going public. "Either your head has become too big for your feet, or your feet have become too big for the institute," Gossart wrote to Horrobin, in the letter asking for his resignation. The furor was typical of the emotional storms Horrobin provokes. He is a passionate and spellbinding speaker, and many who believe in him do so with the ardor of true disciples. Sometimes, however, his charisma misleads. "Horrobin is an extraordinarily convincing man and there's an element of danger in that,"

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Horrobin: "We don't know much about medicine. Everything is in flux."



into Dr. Leonard Wolfe, professor in the department of neurology, neurosurgery and biochemistry at McGill University.

Wolfe is not alone in the view that Horrobin is not published enough hard data in medical journals to substantiate many of his hypotheses. "Bright as he is," says Wolfe, "Horrobin is not a solid-bench scientist—data is one thing and writing a beautiful description is another." Add to this a total of 18 grant proposals turned down by the Medical Research Council and Horrobin's scores for the system ("Government-funding bodies are useless," he wrote) may seem like one grapes. But the problem is chronic and not Horrobin may not have published more papers simply because he has been denied the funding to carry through.

Whatever his peers in Canada may think when receiving his grant proposals, scientists in other countries have been far more receptive to Horrobin's ideas. Dr. John Rotstein, associate professor of psychiatry at New York University, has pursued investigations similar to Horrobin's in the areas of alcoholism and schizophrenia. Says Rotstein, "If 10 per cent of what Horrobin is proposing is true, he'll have made a great contribution to science."

In an age of scientific speculation when "bench" researchers play away for years without recognition, Horrobin's ability for adventure sets him



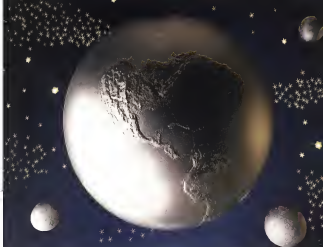
Evening primrose: common weed or wonder drug?

apart. "He would have made a fabulous 18th-century Englishman when there was still a world to be conquered. Now he's trying to do it intellectually," says Sheril Clarkson, his second wife and co-president of the London, England, Kipling, the poet of Empire, is a favorite. Horrobin must be one of the few scientists who reads poetry to relax. As a 58-hour-a-day worker ("Keeping up with me is difficult," confesses Clarkson), he is sometimes termed an "everyday professor who leaves you

stunned to do your job" by Mohar Mehta, his lab associate of 11 years. The Horrobins also run Eden Press, publishers of feminist, medical and scientific books, including 14 titles by Horrobin himself, and one in which they find time to bird-watch and cross-country ski.

Although he frequently jets across the Atlantic to spend the precious people, spends summers with his children at his 18th-century stone farmhouse near England's Lake District, and checks on the 60-odd clinical trials in progress around the world testing his own and similar hypotheses, Horrobin has made Canada his home. The country appears to be offering him more opportunities in his new role as scientist-prophet than it did when he was a pure scientist. Recognizing that investment in Canadian-owned drug companies is almost nil, both the federal and Nova Scotia governments have provided financial support for EPL, whose lab is in Kentville, N.S. But 100 is funding mostly on sales of primrose oil, manufactured in England by a subsidiary, Elamol U.K., another product, a lithium cream for herpes sores, will be marketed in the fall. This year, Horrobin hopes to triple 1981 sales of \$38,000. "People think I'm going to buy yachts and things," he grins, but a new pair of shoes might be more to the point. Although his handsome, patrician features and short and de-sever a respectable public image, they are usually underlaid by rumpled trousers and down-at-heel Bush Poppies.

The classic Horrobin makes for premature oil may initially strike both laymen and scientists as head-blow chicken. Taking off from its 17th-century German peasant designation, "King's cure-all," primrose oil will, according to Horrobin, lower blood pressure, lessen hangovers, diminish obesity and alleviate gastrointestinal syndromes and joint pain. These claims have been substantiated by independent clinical trials in Europe and the United States. "The more we learn about the human body," says Horrobin, "the more apparent it becomes that a single defect may produce an enormous range of responses." In the case of primrose oil, its wide-ranging benefits result from an ability to stimulate lagging production of a fundamental regulatory body chemical called prostaglandin H₂ (PGH₂). Horrobin's work in this area is typical of his holistic approach to medicine. He insists that lab scientists should see and talk to patients affected with the disease they are trying to cure. "If you watch a schizophrenic walk down a corridor, you can see it's not just a mild disease," says Horrobin, who always spends at least three months testing on himself any drug he intends to market. Called to medicine early in life, Ho-



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Horrobin with wife, Sheril Clarkson: "keeping up with him is difficult"





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soble remembers making the rounds as a child with a (real) doctor who often received eggs in payment for his services. Although he eventually chose research rather than general practice, he tries to maintain that kind of personal contact by acting as medical adviser to acquaintances of friends and relatives of patients affected with such diseases as multiple sclerosis and schizophrenia. Horrobin's first business interest in schizophrenia 10 years ago when he injected himself with the hormone prolactin and found that it made him irritable and depressed since then, his proposed

therapies have incorporated rest and dietary measures. His ideas are highly unpopular with the medical advisors to the Canadian Friends of Schizophrenia, including Dr. Philip Szeeman, a professor of psychiatry at the University of Toronto. Szeeman is Canada's most influential schizophrenia researcher and Horrobin's arch-enemy. When Horrobin asked him to comment on Horrobin's work, he refused, saying "Horrobin is a scientist—his work is not worth discussing. I feel sorry for you, wasting your time on such trivial matters."

No stranger to paranoia himself, Horrobin observes that "There is something very strange about scientists. Being creative, they are frequently paranoid. I estimate about 25 to 30 percent have advanced personalities." Few years

are so petty and vicious as a scientific squabble, but the attempts to discredit Horrobin have gone beyond questioning his own mind to denying his right to be heard at all. Last year, McMaster University refused to grant the use of its lecture hall facilities to Horrobin after he had been invited to address the Hamilton chapter of the Friends of Schizophrenia. This action was justified on the grounds that personality might have been construed as approval of Horrobin's views. Says Bill Jefferson, president of the Canadian Friends, "We've been exposed and belittled by people who make claims which don't work out. A university has to take this into account. If it allows an unfettered forum, is it creating a danger?" Says Bill Chatham, a chemical engineer and a former member of the Hamilton chapter, "We, as scientific people, must

keep eyes wide. I couldn't understand how our people could be so disinterested. It's embarrassing."

Some scientists consider Horrobin to be irresponsible in giving a public airing to theories that have not yet been fully tested. But the fact that Ottawa's Bureau of Drug Research finally decided last summer to seek \$150,000 into investigating his work on dopamine may prove his point that, without public pressure, worthwhile projects are too often ignored by the medical research establishment. Given the petty rivalries that plague that establish-



Nobody is better at it than I am would ever win a Nobel Prize

ment, it is not surprising that Horrobin suggests eliminating fellow research scientists from judging medical research proposals altogether and replacing them with doctors and laymen. Being named M.D. director Dr. Francis Robinson admits that the system has problems and concedes that, ideally, "The best person to assess a scientist's work is the scientist himself."

David Horrobin's statements pose a very ironically, the more Hoffmann-La Roche tries to have him to incorporate a drug company in order to carry out the research has supposedly impartial points have denied him. "Nobody as fanatic as I am would ever win a Nobel Prize," he says. "I may be back in a university in five or 10 years, having gone back: I'm prepared to take that risk." ◇



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Saskatchewan's incoming premier Grant Devine on election night in Edmonton, tapping a rising flow of disenchantment

CANADA

Western voters: the spreading revolt

By Gordon Logie

A sentiment of discontent is flowing throughout Western Canada. It is stirred by a recession-savaged national economy and fanned, particularly in some regions, by the belief that the West would be prospering were it not for the dominance, interference and mismanagement of central Canada. Expressions of that anger are evident everywhere, and incumbent politicians are sweating under its wrath. Last week Allan Rockwell became its latest victim when he was swept from the governorship of Saskatchewan.

Glimpses of the new resentment were first seen five months ago in Manitoba when a disenchanted electorate ousted Conservative Sterling Lyon, the first premier in provincial history to be denied a second term. It flared up again in mid-February in Alberta when Western Canada Concept (WCC) candidate Gordon Kaehler staged a surprise victory in the Olds-Edmonton by-election, becoming the first separatist elected outside of Quebec.

Then the smoldering anger burst

forth in Saskatchewan, where Conservatives Leader Grant Devine, in an astonishing rise from obscurity, trounced Blakeney's competent, albeit tired, 11-year-old NDP government (page 26). And in British Columbia, Social Credit Premier William Bennett seriously pondered over a province in which soap kitchens have become a growth industry. Severe popularity lags 18 points behind the opposition NPD, and the BCV is making rapid inroads in the rural interior.

Declares Macleod's new premier, Howard Pawley: "There is an anti-government mood. There is a feeling that governments are not identifying sufficiently with the concerns of the public during these difficult times, and that critics in governments wherever they are Social Credit, Conservative, Liberal or New Democratic." Adds defeated Premier Blakeney: "If I were in government on either of the two other western provinces, I'd look very closely at the trends that have been shown in both the Saskatchewan and Manitoba elections."

Those trends are partly the result of

politics following its normally hectic, unpredictable course, where two main-line parties periodically exchange seats. But there is also a powerful groundswell of protest, unique in the West for a long time. Unlike voters in other parts of the country, western Canadians have had little participation in troubled times about making wholesale changes, betting the house on the actual new center.

Notably it was the fledgling Western Canada Concept—drifting across the provincial landscape after its Alberta win—that first caught voters' attention in Saskatchewan. During the campaign's first two weeks the WCC drew large crowds and early exit polls indicated that the separatist group was holding a respectable 15 per cent showing in the constituencies bordering Alberta. However, the anti-government protest quickly reabsorbed itself when it became evident that the WCC was still in its formative stages, as it is in other parts of the West.

In British Columbia, Bennett now is worried about whether or not he should follow informal tradition and call an election after three years in office. The

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Western Canada Concept holds a rally in Abbotsford, B.C., 5,000 strong; now pipe pipers offering quick solutions

WCC is busy organizing one million in the Peace River, the Cariboo and the southern Interior. A recent rally in Abbotsford, near Vancouver, drew more than 1,000 people. Whether the appeal fails, as it has in the past, remains to be seen. For his part, WCC's founder, Doug Christie, a Victoria lawyer who saw the movement peak then die down after 1980, predicts that the party will hold the balance of power after the next election. In response, both the NDP and the Liberals have begun to criticize the WCC publicly, with B.C. Opposition Leader Dave Barrett accusing Barrett of encouraging veiled separatism by urging voters elsewhere to desert and help the Tories fight Ottawa. Observes Barrett: "Politics in Canada right now are very weird. We have serious problems in this country, and people have promoted quick solutions. Whether or not people use quick solutions as an answer and follow a new pipe piper is something that's difficult to predict."

If there is anywhere in the West where pipe pipers have taken hold it is Alberta, where historically parties (the United Farmers, the Socialists) have come from nowhere to seize power and then have just as quickly disappeared into political obscurity. And it is in Alberta that the present day is most apparent. At the one is the perceived imbalance of power in Canada, the inability of westerners to influence the country's direction—most sharply recognized by the National Energy Program.

Last week, in the middle-class Edmonton suburb of Mill Woods, separatist Kester stood in the St. John's School gymnasium addressing a small crowd composed of the faithful and the curious. Behind him was a broad blue and white banner emblazoned FASCIST WEST! Rebounding Senators that westerners are

outnumbered two-to-one by Quebec and Ontario in the House of Commons, Kester commented, "If you sent your kid to a hockey game and he was outnumbered two-to-one, 2 million to 1, would he take a field?" Notes the Canada West Foundation, an independent apolitical research group: "Canada is the only democratic federal system in the world in which the regions with the largest populations dominate both houses in the national legislature."

Still, recently, Albertans believed that such a strong provincial leader as Peter Lougheed would address the imbalance. Now, much to Lougheed's chagrin, the WCC is capitalizing on a deep-seated sentiment that Alberta lost both the constitutional and energy battles. That, long the case, it is argued, there is no alternative to independence since the West already suffers from *de facto* separation.

Still, the notion of separation makes most Albertans nervous. "Racism, poorly thought through positions and promises that separating will solve all our problems are public deception," says Social Credit House Leader Ray Spence. "So are the statements of radical separatists who profess that the majority of Albertans do not support separatism and so are temporarily misreading their position in order to obtain political power."

Spence was instrumental in attempting to dissolve the Social Credit party a month ago. Now he is one of a handful of people attempting to resign the WCC from a fringe protest into a responsive, responsible political organization with a consolidated leadership and program—both of which it currently lacks. Spence prefers an emphasis on good government, with separation as a tool of last resort, a lever to effect changes within the existing

separation

The separatist movement, in its current pronouncements makes many of its most compelling arguments by conjuring up images of federal bureaucrats peering through every window and so on, or ventriloquist behind every back. Opponents charge—with some validity—that the party uses simplistic half-truths to stir up hatred, fear and greed.

Meanwhile, Lougheed, who admits the WCC has moved into a political vacuum that has opened up in the province, is referring to the events to re-establish contact with the people. A broad economic resurgence program is being put in place to foster recovery in time for a provincial election, expected in the spring of 1985. Both efforts are an attempt to ease from the public's mind the image of a provincial premier drinking champagne with a beaming prime minister. "Talk about political mistakes, that was a study," Lougheed said.

Still, there remains an acknowledged common denominator to western anger: Prime Minister Pierre Trudeau. By placing the economy at the bottom of his personal agenda for the country and by failing either to acknowledge seriously or act upon western concerns, Trudeau has done more to alienate moderate westerners than any other single factor. WCC officials never fail to point out that the separatists are not in Western Canada but in Ottawa and that the man who sought to unite the country has divided it even more. It would appear that only when Trudeau finally steps down, when the economy is revitalized and, more importantly, when westerners finally feel they possess a full voice under the country, will that anger subside.

With Michael Greig in Vancouver, Dale Eider in Regina, Peter George George in Prince George, Robert Lewis in Ottawa,

A government fallen out of step

By Dale Eider

The scene was a Grade 6 classroom. The event was a fundraising of the most staggering political history. Three days before last week's election, with Allan Blakeney's 13-year-old son, now government caught in a desperate struggle to fend off a challenge from the Great Deceived Progressive Conservatives, Vern Howard decided it was time to crack his 30 Grade 6 students at Regina's Henry Jerome elementary school. Howard called for a straw vote—a move that successfully predicted the winner in two previous provincial and federal elections. The result: a 23-9

last November, was cut down in the sweep. Considered an antismash with more than a 3,000-vote margin when last elected in Saskatchewan, Blakeney lost by 55 votes to Jeanne Krombein, a 20-year-old gas-bar attendant at her father's Petroski station. He cheered by the loss was Howard that he said he did not want a moment, preferring to "submerge myself in private life."

The completeness of the defeat left 300 students in a mood of despair when they gathered around an empty, half-stand in a Regina banquet hall for what was to have been a victory celebration. Many were reduced to tears and sobbing consolations. At the same time, across

town in the Regina Inn, jubilant Tories danced and paraded into the early hours. The celebration was interrupted only by Blakeney himself, who walked slowly through the celebrants to congratulate the Tories on their "overwhelming victory."

Still, not even Terry Leeder Desjar, the 37-year-old former university professor who won the constituency of Regina after two earlier personal defeats, could fashion a reversal that boosted the Conservative popular vote to 54 per cent from 39 and took the NDP from 45 per cent to 27. "I thought we had a real good chance," he confessed. "But this, this is incredible."

At week's end, as Blakeney prepared to relinquish the reins of power, he dismissed suggestions that he would step down, but he conceded that his government had somehow fallen out of step with the province's roughly one million people. "I still do not know what strokes we made, but we made them, and visibly crystallized. But that result does not come about, [given] our financial resources and skills, without some substantial errors." Still, many others in the NDP blamed the government directly for the defeat, contending that it had become more concerned about building bigger bureaucracies than dealing with the problems faced by a population lacking the security of high interest rates and inflation.

"We lost touch with the people," lamented campaign worker Sandy Cameron, sitting on a bench at the NDP election night gala. "The government was listening to the people and worried too much about just being good administrators. Hell, I've been with groups that have tried to get advice from the government, and we didn't get it."

They campaigned arrived at the same conclusion. Declared Tyne Raife, communications director for the federal Conservatives, who was on loan to help co-ordinate the provincial media effort: "Two issues they have lost touch because in Ontario the NDP won the prize and the Tories three-prize state. Here it's the Tories who won three prizes and the NDP three-prize state."

The Conservatives were first off the mark in the campaign, promising to eliminate a 30-per-cent provincial gasoline tax, offering



Allan Blakeney: not without substantial errors

homeowner mortgages up to \$50,000 at 13.95 per cent and young farmers loans of \$200,000 at only eight per-cent interest. In a four-day first-week blitz, the program earned popular approval.

For its part, the NDP campaign got off to a halting start, accused by picketing union demonstrators who were opposed by anti-teacher legislation to end a hospital walkout. The laws were passed by the labor-loving NDP just a day before Hakeney called the election. In the end, the province's desire that the election be held on a platform built from the NDP's governing March budget, more public investment in resource development and defence of the sacred Crownland. This group fought rural social side and something. He even threw away time, quibbling that the NDP's promised gas tax cut would drop prices only 20 cents a gallon, not 40.

By contrast the Tories continued to suffer stress on the slogan, "There's as much more we can be." Then, guns attacked the NDP campaign with the aid of the street work when the party changed advertising tactics in mid-stride and reached into the hat for a handful of new promises: no more school property taxes, grants of \$200,000 for first-time homebuyers, lower sales insurance rates for good drivers and free eyeglasses for all.

When even that head-led strategy failed and after-the-victory hangovers had cleared, Devine was left with the task of making good on the promises that won the election. He is now committed to grant "the highest priority" to good-will elimination and mortgage assistance as soon as his government is comfortably in harness. That may take some time because not one of the 67 Tory MPs has ever been in government—the election marks the first time a Progressive Conservative government has won a majority in Saskatchewan.

It also marks the lowest point in the declining fortunes of the Saskatchewan Liberal party. The Liberals, who formed the government only 11 years ago, saw their share of the popular vote slashed to five per cent. The separatist Minister, Curdell, Concept, which failed a surprising 30 candidates and attracted large crowds early in the race, also finished to three per cent of the vote.

Perhaps the election's clearest message is that no government is safe from a personal election in an era of economic recession. The New Democrats went into the campaign buoyed by a poll showing them eight per cent ahead in the decade vote—and with the assumption that the huge unemployment rate of 28 per cent would lead voters to the polls as the decided, as it usually does. The times had changed too fast. ☐

The rise of an Invisible Man

The fellow whom insiders in the Saskatchewan race used to call the Invisible Man has shed his cloak of anonymity. But it was a slow and sometimes painful transition from university professor to politician. Bill Grant Devine took the ultimate step into the premier's chair last week when he led the Progressive Conservatives to a landslide election victory.

It was as much a personal vindication for Devine, 37, as a Tory success. For more than two years Devine had been knocking on the door of Saskatchewan politics without ever getting an answer. A party leader who at times seemed more like a hang-on. He lost by 3,373 votes when he first ran in Saskatoon during the 1975 provincial election but he still won the party leadership 13 months later. Devine explained. Dick Cudworth, who in seven years had brought the Tories from halting two per cent of the popular vote to the office of Opposition—but a year later Devine lost yet another bid for a seat.

His media stature slipped dramatically with the loss of that position for what was considered a safe seat in Estevan, and the attacks on his credibility grew louder from the NDP. But the

median Wheat Board quota card, as if to document his Saskatchewan roots. The constant comparison was with Allan Blakeney, an Oxford-trained lawyer from Nova Scotia who migrated west in 1890 to work for the former C3 government of Tommy Douglas. Putting four years as a professor at the University of Saskatchewan firmly behind him, Devine says he still cannot resist the lure of rural Saskatchewan. "There is nothing I like better," he says, "than to go to summer fairs, watch the horses and play horseshoes." There may be a winning pool in the backyard of the Devine's Estevan home—much closer to the shadow of the legislature's dome—but next to the pool is a horseshoe pitch. "For me, there is no better way to relax than to toss horseshoes and chew toothpicks," he claims.

Devine plans to bring the new policy style to the premier's job. He proclaims an "open-office-door" policy and says he is not afraid to delegate authority. One of the two handling things about getting a P.A. says Devine, is that "you learn how little you know and get to be afraid of people around you with more expertise than yourself in certain areas." To emphasize their leader's



The Devine campaign team: Monica, 14, David, 9, Michelle, 14, and John, 2, with the author, Charlene and Grant—also horseheads and popcorn beside the swimming pool.

farmed side from the legislature allowed Devine to travel the good roads of rural Saskatchewan, selling a populist approach to prairie politics, promoting himself as "just a farmer who happened to get a PhD in economics."

He still holds an interest in the family farm at Lake Valley with his brother and brother. And his campaign literature touted him as the only Canadian political leader with an up-to-date Ca-

graworth family appeal, the Tories ran its ads showing Devine, his wife, Charlene, and their four children, ranging in age from 2 to 14 years, galloping around the living room game. Not featured was Devine's photo-equipped Thunderbolt or his wife's pink Buick, a reward for her outstanding record in competitive sales. The emphasis was clearly already made.

—DILL EISLER in Regina



A bearded MacEachen of Moose Lake (left), Jean-Luc Pein, Charles Gosselin) does stand firm on doing nothing?

NATIONAL

Putting the economy on hold

By Mary Zanigan

Last week's ferry trip into the wilderness of Saskatchewan Hills was not a prophetic omen for the federal government. Surrounded by failure, the ministers went to their Moose Lake retreat for a day-long summit on Canada's grim economic situation. Then, at the end of the emotional session, they declared to the nation that they are in full support of Finance Minister Allan Rock and his anti-inflation policies. But that was clearly not a reflection of the behind-the-scenes reality. In fact, most cabinet ministers simply no longer believe that MacEachen's approach is working. Still, because they cannot yet agree on alternative, battle plans, the beleaguered ministers were forced to remind Canadians—through a strategic political blunder—that the economy is temporarily on hold.

The ministers' dismay is based on hard statistical evidence. In the United States, the inflation rate has plummeted; in interest rates are still hovering at disastrously high levels. In Canada, inflation is running at an annual rate of 11.6 per cent, unemployment has hit nine per cent and the Conference

Board reported last week that business executives are planning investments because of crippling high interest rates. Confronted by a gloomy scenario, most cabinet ministers were saddled with the painful chore of trying to re-embrace a stubborn MacEachen who has "now" is holding the economy. At least one senior minister—a former MacEachen insider—argued that the government must live with much higher

Canadians are shifting from a fascination with leadership and emphasizing the ways to solve problems

deficits in the short run to avert permanent economic damage. Many ministers are also concerned that MacEachen's stand-firm solution has been dismissed by the public as doing nothing.

To add to the Liberals' dilemma, the November budget is still seeing shock waves through an edgy business community. Although MacEachen's

crossed the nation last month to hold private talks with business leaders, participants report that he still refused to admit that his tax change proposals are riddled with major flaws. Businessmen were forced to devote the major portion of most meetings to arguments about the budget. MacEachen, in turn, reacted to the criticism with obstinate fury, apparently convinced that businessmen are deliberately plotting against him.

The continued standoff has depressed business leaders who want the finance minister to issue a detailed statement on the status of each of the budget's tax measures. "The whole business community is still on hold right now," says every business deal in Canada hinges on about as of these measures," complain John Ballack, the president of the 65,000-member Canadian Association of Independent Business. "The government has a tremendous credibility problem now, and the prime minister has to make some significant gesture to address this serious lack of trust and confidence." Ballack says that a formal federation survey shows 12 out of every 100 member businesses have closed during the first quarter of 1982, compared to seven out of 100 during the first quarter of 1981.

Meanwhile, a startling survey by the Canadian Chamber of Commerce reveals that 62 per cent of their members' venture capital was invested outside the country during the past 12 months. "In-

water confidence stems from the belief that the meeting is governed by a clear set of rules and objectives," argues Chamber President Ron Roberts. "The budget was the last straw—and this confining situation has been tightened."

The pressure to change economic tactics also makes second political sense. Politician Allan Gregg, president of Dorrance Research Ltd., says that the Liberals worsened their image problems when they left their March Lake meeting with only stand-pat promises. He says that Canadians are shifting away from a fascination with leadership and placing greater emphasis on a party's capacity to solve problems. Not only that, the new Dorrance data points out an unprecedented gap between Canadian overall satisfaction and their expecta-

such as homeowners who have been hard hit by interest rates. Bureaucrats are quietly preparing major reports on the Canadian experiment with price and wage controls during the mid-1980s. There are suggestions that billions of dollars should be plowed into such noninflationary projects as transportation upgrading. This spending might be coupled with price and wage controls. Tax incentives—an approach that has the support of the business community—could be designed for such specific sectors as high technology in return for voluntary wage restraint. But, since cabinet does not want to trigger more inflation, members must still agree on the type and the scope of any program.

For its part, Prime Minister Pierre Trudeau has been soothing his parrie-



ties. At the same time, Canadians are increasingly gloomy about the current situation, but their general outlook is becoming more optimistic. "This means that Canadians do not want to believe that the situation is permanent; they want to believe that today is as bad as it's ever been and as bad as it's ever going to get," insists Gregg. "So it's clear that the Liberals have to be seen as doing something that addresses the problem—they must send a demonstrable and dramatic change in attitude that they are turning this mess around. And it will start to turn around."

The Liberals realize that they can only save their political lives by shoring up the economy. To that end, they have been privately meeting about a variety of rescue operations. There are proposals to target new aid to specific groups,

cabinet members say that although Trudeau firmly supported MacLachlan's strategy throughout the winter, he has now started to pay close attention to contrary arguments. Still, Canada will probably wait until the seven-nation summit in France early next month to discover if U.S. President Ronald Reagan is determined to stick with his policy of high deficits and high interest rates. If Reagan relents, drastic Canadian policy changes may not be required. If Reagan does not agree to lower interest rates, Trudeau is likely to explore strategies with his summit partners and begin an economic review. If that happens, the heaviest betting is that MacLachlan's price will go before a fall from power becomes inevitable. ☐

Secret plots to control the seas

By the time it closed last week, the San-Law treaty, signed in the Central Atlantic, had become a melodrama pitting anything playing on Broadway. It carried a plot twisted by deception and double-cross, and the cast of characters included the old and cunning Soviet delegate, Semjon Kuznetsov, Ronald Reagan's ambassador, James Malone, in the villain's role, and Canadian Ambassador Alan Bessley, with the patience of a saint, the conviction of a priest and a pirate's eye for tactical advantage. But this was no movie. It was a real and sometimes treacherous contest for power and wealth, and the treaty adopted last week after a decade of talks will have vast consequences for decades to come.

In years of laborious negotiation the conference had been wading out of many of the treaty's terms. The extension of coastal states' territorial seas to 12 miles from three was widely accepted, as was the 200-mile economic zone already declared by Canada and many other countries. For the last several years, however, the hot naval and shipping powers there was a new guarantee for freedom of navigation. Canada benefits from a grant of seabed resources out to the edge of the continental shelf—far beyond even the 200-mile limit in some places—and the right to set anti-pollution standards over Arctic waters.

Andean and even audacious diplomacy had achieved a fragile balance on all these issues. What almost killed the whole treaty was the dispute over the gleaming prospect of seabed minerals—billions of dollars worth of fat-stored metals rich in nickel, cobalt, copper and manganese. For rich industrial countries, the ocean floor was a potentially secure source of needed resources. For poor, developing countries, it was a promising source of new wealth. At issue were their conflicting claims for control over those resources.

By early last year, a settlement between the Soviet Union seemed to be at hand. The draft treaty called for a special UN authority to regulate seabed mining and charge royalty-like fees for redistribution to poor countries. In addition, a new UN enterprise would have a right to join private consortia to state companies to seabed mining waters. But the plot thickened when Ronald Reagan took over the presidency in Washington and quickly announced a complete review of the deal by the end of the year. Last January, following the declaration of its new demands, private corporations (mostly American), must have a free run at seabed exploitation,

with less hindrance from the UN. Meanwhile, the Americans spent last summer quietly canvassing other neutral nations—Japan and European powers—about ditching the UN treaty altogether in favor of a sub-oceanic mining consortium to carve up the Atlantic seabed areas before anyone else could even get to sea with their own projects. Hence, the suspense when the San-Law meetings resumed in New York this spring: what consequences would it take to persuade the Americans to stick with the UN treaty? Would the course of the undersea-gold conference—the so-called Group of 77—stand for such concerns? And how many allies would follow the Americans if they rejected the consensus of the past decade?

As if scripted, the plot remained a

melodrama of Washington and the Western Europeans—had suddenly and secretly asked itself into the club of non-treaty states. On the floor of the conference, Kuznetsov was attacking the way on the grounds that it favored the United States. Behind the scenes, he was asking Malone for a piece of the non-treaty action. It was far from being the only case of diplomatic deception during the conference, but it was among the most startling. When seen behind the scenes, Western delegates could only surmise that Moscow—seeing a Washington pull-out—decided it did not want to be left in the UN authority as its largest financial contributor. Indeed, Kuznetsov explicitly complained that with Washington outside the treaty, only the smaller European countries with seabed mining programs would be

left, turned the gesture aside. It was too late, he declared, "to secure what is beyond reaching."

In the roll-call vote that followed, the treaty was approved 138-4, with 17 abstentions—most of those from the Soviet bloc along with Britain, West Germany, Italy and the Netherlands. The United States, Venezuela, Israel and Turkey voted against.

Throughout the seabed dispute, Canada balanced its own conflicting interests. As the world's largest land-based nickel producer, it pressed for controls on excessive seabed production. But it also had to defend the interests of Inuit and Noranda, which belong to seabed minerals. In any event, seabed mining is not likely to become commercial until the turn of the century.

After a final signing ceremony later



Contentious Bessley and Malone 443 in search of underwater treasure. Seabed minerals twisted by deception and double cross



mystery until the final hours. Having set Friday as their deadline for decision, the conference began with a marathon closed-door session. Meeting. Among the underlying issues at play was a Canadian provision governing fish stocks that straddle the 200-mile limit. Bessley's concern was with foreign fleets that honor the letter of the 200-mile law but over-fish just beyond the line of Canadian control. He was opposed by Kuznetsov of the Soviet Union. In the end, Canada withdrew its amendment, thus avoiding the risk of sparking votes on other issues that could dilute and wreck the conference.

By then, however, a greater threat to the project had arisen. The Soviet Union—long a proponent of the Sea-Law treaty and entire of the capitalist

ad to finance the authority and the UN's mining enterprise. The Group of 77—initially now more than 130 countries—continued to offer concessions to the Europeans and Americans in the closing days, some based on compromises drafted by Canada and other middle powers. The Americans, however, steadily refused to waver behind the treaty. Then, on the night before the final day, word emerged that Malone was ready to negotiate on the basis of one of the middle-power compromises.

In the morning, Bessley took up this line and urged both sides to reconsider the compromise formula. He is a tall, thin man, Malone called that "something to be considered." But Pierre Alvarez de Soto, spokesman for the

this year, the seabed treaty will take effect when 40 countries have ratified it. The impact of the U.S. absence from the treaty at this point is problematic. Since most countries already honor the treaty, Washington might be forced to seek bilateral agreements with those to cover seabed areas as U.S. moved across to states shored up by 10-mile limits. Bessley doubts any U.S. firms will embark on seabed mining until their bankers can be sure their investments will be safe from legal challenges either in U.S. courts or in the International Court of Justice. Ultimately, this or a future U.S. administration may find it better to be part of an imperfect treaty than to be a party with its free-enterprise principles intact.

—JAMES HAY in New York



The divided love of Rafat: Artists have painted a new scenario around this controversial PLO plan

WORLD

The painful legacy of Sinai

By Robin Wright

Egypt's red-black-and-white flag, once raised quietly over the Sinai wilderness last week after Israel's withdrawal, at age 100 seemed a key to Middle East peace, one punctuated with expressions of distrust, animosity and threats of loss and hard bargaining ahead. Even those familiar with the Byzantine intrigue of Middle East diplomacy were surprised at the puzzling and sometimes contradictory declarations made by leaders in the behind-the-scenes maneuvering among Arab governments. The majority of the 22 Arab League states and the Palestine Liberation Organization (PLO) begrudgingly acknowledged Cairo's territorial gain but warned that the next stage could prove to be the most difficult in the history of the region.

Morocco's King Hassan II called Egyptian President Hosni Mubarak "There is no doubt that Egypt will join its Arab sisters with all its human and material resources until areas still occupied in the Arab nation are liberated, especially Jerusalem and Palestine." King Hussein of Jordan followed suit with, "The role of Egypt, with God's

help, will continue to be solid and consistent to restore the rights of the Palestinian people."

Then, in a statement reflecting the current distrust among Arabs, Syria openly declared its intention to block

The period after the Israeli withdrawal could prove to be the most difficult in the history of the Mid-East

Egyptian attempts to resume its traditional leadership role. State-controlled Radio Damascus announced, "Syria is determined to foil all attempts to welcome Egypt back into the Arab world." The statement was a transparent reference to the long-term fears of President Hafez al-Assad's regime. Syria wants to lose the status, influence and financial support it has enjoyed since Egypt was expelled from the Arab League.

But by the end of the week it had become clear that, typically, nothing was as it might seem. For all the gestures toward the Mubarak government

by moderate and Gulf states, not one had resumed relations, nor was anyone willing to bet that Egypt would regain its seat at the Arab League this year.

Mubarak's first speech to parliament on the day after the transfer of the Sinai was part of the reason. The stately Egyptian leader made it clear that he would not jeopardize peace with Israel for the sake of regaining Arab acceptance. At the same time he in effect warned Israel that a solution to the Palestinian problem was the key to comprehensive settlement of the 30-year-old Middle East crisis.

And in what many Middle East observers interpreted as a near deathblow for Camp David II, Mubarak added, "No one will tolerate the continuation of the Israeli occupation and concentration of the Jewish population on the West Bank and Gaza Strip." Fewer remain that Israel will annex both, making the territories (occupied in the 1967 Six-Day War) even more difficult to separate from the Jewish state.

In the aftermath of the Sinai transaction, Israeli Prime Minister Menachem Begin centered his Sinai resolve, announcing that there would be no further territorial concessions and that he would prepare a resolution making it illegal to disavow

any other Jewish settlements. It is against this background that the U.S. is expected to try and find common ground between Israel and Camp David. The peace of Jerusalem, an acronym for a precarious truce that even U.S. officials concede it may slide before it starts. That is exactly what Egypt's silent allies in the Arab world are counting on. Palestinians and Arab states in doubt have begun to paint an alternate scenario centered around Saudi Arabia's controversial eight-point peace plan named after Crown Prince Faisal.

At a series of meetings throughout the Middle East over the past few weeks, an agreement has been reached to launch a new push behind the Fold plan. Supporters at a hope either to take over the initiative from the U.S. or at least to give up the pieces when Camp David falls into a protracted stalemate.

At least part of the price the Saudis will probably have to pay is a delay in formally welcoming the Mubarak government back into the Arab League. It is a heavy and painful price that the Riyadh regime desperately wants Egypt as an ally to counter the growing clout of the Shi'ite Muslims and their offshoots in Lebanon, Iran and Syria. According to PLO sources, the Saudis will attempt to win Shi'ite support at the next planned 30-member Islamic summit in September, plan a crucial summit on Jerusalem at a recovered Arab League summit, probably this summer in Morocco.

Although Palestinian militants have come out against the Fold revolt, the PLO claims its interest in long-term peace was demonstrated by holding back its retaliation in Southern Lebanon after Israel's April 15 air strikes. American officials in the Middle East argue that at this stage it is unlikely, at elements of the aggressive Saudi scenario will fall into place. Some even doubt the Arabs will be able to remove their "temporary suspension" this summer, as agreed in current Arab League. Other Westerns extrapolated that they do not believe that even failure of the next stage of Camp David as overwhelming world support for Fold will prompt the Americans to support the Saudi plan.

The argument was that the U.S. administration is too inflexible and will do nothing to allow the Israeli, although it may try to square them into concessions by appearing to show interest in the Saudi plan as an alternative.

On the heels of the Saudi offer and the Fold initiative, the Middle East remains as volatile, and boiling peace as tranquility, as it was 34 years ago, when Israel was born, or two weeks ago, when a place called Sinai was known as Yamit.

FRANCE

Libertating the airwaves

When Andre Mitterrand, France's late literary agent and minister of culture, was introduced to John F. Kennedy in first quarters of the American president's state coach, how could anyone govern the United States, he asked, without controlling its TV networks. That attitude, most frequently associated by Mitterrand's boss, former president Charles de Gaulle, has summed up the French government's attitude to the national airwaves for the past 25 years. It has also placed the French government in embarrassing company. The only other countries with such a tight rein on the state telecommunications monopoly are dictatorships like the Soviet Union and Albania.

But a year ago, President Francois Mitterrand's Socialists swept into power vowing to liberate broadcasting, not only from its screen-pandering to power and from the clutches of the Elysée Palace. Then, last week the National

assemblies for—furthering the recognition of all TV and radio chiefs and replacing them with its own appointees.

The Socialists can hardly be faulted for a sudden change of heart. Three years ago, Mitterrand himself faced a possible jail term for challenging the state radio monopoly by setting up a private transmitter. During transmission of a Mitterrand speech on broadcasting freedom, government officials with tear-gas grenades in an embarrassing show of force that later prompted the government to later charges. But no sooner were the Socialists in power than they began to repeat the post's mistakes.

The most established political game-plan involved forcing out one of the country's most controversial—and watched—public affairs commentators, Jean-Pierre Elkabbach. The Socialists accused him of being too soft on former President Valéry Giscard d'Estaing when he was involved in a scandal over a questionable gift of diamonds from the Central African Republic.

At the same time Elkabbach was charged with being too tough on Communist leader Georges Marchais, and he was fired within a month of the Socialist victory.

Apparently designed to avoid just those extremes in the future, the new audiovisual law will take control of the airwaves out of the president's hands by creating an agency to appoint network chiefs, award transmitter licenses and adapt programming. To protect the board's independence, its members will be appointed by the Senate as well as by parliament and the president. They can be neither reappointed nor fired from their three-year terms—two years longer than the presidential mandate.

The most controversial aspect of the new law is its provision that theoretically allows news programming to be produced by private or independent public radio companies and provides for future cable installations and the Franco-German broadcasting satellite due to be approved by 1985.

Still, despite the uproar and some 300 amendments billcragging the bill, the ultimate fate of French TV and radio is still in the air. It serves up on the screen. Indeed, Mitterrand himself is so concerned that he recently summoned an annual consultant to the Elysée—the man he had fired, Jean-Pierre Elkabbach.

—MARK McARDONALD in Paris



Elkabbach: powerful voices need control

Assembly erupted into an explosive debate over the government's independence bill. The contrast opposition protested that liberation of the airwaves has not gone far enough—it still forbids a private commercial TV or radio channel. Mitterrand's Communist partners countered that it had gone too far, opening local loopholes to a capitalist takeover of a public sector.

But behind the fence by a mounting outcry over the heavy hand the Socialists have placed on the national networks. Despite repeated promises of "no witch-hunt," the new government has widely deep what it considered its



Prisoners checking out the church has become a medium for popular discontent

POLAND

Pressure from the pulpit

The pressure on Poland's military government to relax its authoritarian grip on power had been growing for months. For its part, the Roman Catholic Church steadily stepped up its demands for the release of political prisoners. At the same time, protest demonstrations were staged in the Gdansk shipyards, and a massive public outpouring took place on May Day in Warsaw in support of the officially outlawed Solidarity trade union movement. Not only that, even Pope John Paul II hinted that he might cancel an August visit to his homeland if the government did not take steps to ease the martial law regime imposed last December. Then, last week, Polish leader Gen. Wojciech Jaruzelski responded dramatically: Jaruzelski announced the release of 1,000 political prisoners detained mainly because of their Solidarity affiliation. And he followed up by lifting numerous restrictions on travel by Poles within the country.

The Vatican reacted swiftly to Jaruzelski's move. Polish Archbishop Jacek Glemp, widely revered by the news, indicated that the papal visit is now a virtual certainty. That was clearly a sharp reversal in the Vatican's unofficial position. Previously, Glemp had voiced the impression that Pope John Paul was preparing to cancel his plan to travel to Poland in August to take part in ceremonies marking the 80th anniversary of Poland's holiest shrine, Our Lady of Czestochowa, or Black Madonna. In that light, perhaps the most

striking development for the Vatican was the fact that the easing of travel restrictions was apparently aimed at those who wanted to travel to Czestochowa for the summer celebrations.

Still, tensions between the Catholic church and the state remain high. The military regime is under strong pressure—especially from the Soviet Union and Czechoslovakia—to take a much tougher approach in dealing with the church, although Jaruzelski is reluctant to do so. That is because his most effective means of convincing Poles to make the sacrifice needed to restore the country's shattered economy is to offer some co-operation with the church.

Just how necessary such an accommodation has become is obvious every Sunday when Glemp and a majority of his Polish bishops denounce the Jaruzelski regime's violation of human rights. Their pulpits have become the only public medium for popular discontent. Still, the room for improved relations is severely limited. As long as Solidarity is forced to function underground, the church will continue to act as an arch-enemy for the military

workers who had put their trust in the union movement, as was evidenced at the May Day protests, where rallying Solidarity more Solidarity badges in tandem with the image of the Black Madonna. With the re-emergence of such defiance, the outlook for Jaruzelski is growing increasingly cloudy.

—SAM MANTON/ANTON KOROSIN
in Vienna

U.S.A.

A dramatic end to a pipe dream

It was always a high-stakes gamble in a major project gone, but last week fewer and fewer wanted to play. Early hours after the mammoth Alaskan project collapsed (page 38), the prime U.S. sponsor of the Alaska Highway natural gas pipeline withdrew, leaving Canada alone at the table, doubling the value of what chips remained.

The joint U.S.-Canada project had been modeled since its inception in 1977. Designed to tap Alaskan North Slope gas reserves (controlled by Atlantic Richfield, Exxon and Standard Oil of Ohio), it was originally to have cost \$20 billion. But as some estimates of the price of completing the 7,900-km. line inflated past \$40 billion last week, Northwest Energy Co. of Salt Lake City, Utah, announced a two-year hiatus. Company Vice-President Joe Valicky explained that "economies in the financial market, the current oil glut, depressed crude oil prices and low demand due to the recession" led to the dramatic decision.

These developments had been foreseen at the outset by some but were overlooked by the Canadian government when the decision was made to "go-build" the Alberta section of the line—despite the absence of guarantees that the U.S. companies would follow through on their end. While in opposition in 1978, Federal Energy Minister Marc Lalonde called for "iron-clad guarantees" from the U.S. on financing before Canada agreed to build the northern portion.

MacGuigan in absence of guarantees



But the gamble was taken by the Trudeau government in 1980 when it gave the go-ahead to Potlatch Pipe Lines Ltd. of Calgary to build the two lines that now carry Alberta natural gas to the U.S. border. (From there it connects to American lines and is pumped to the Prairies.) Approximately \$125 million has been invested by Canadian companies in the Yukon line and about \$1.5 billion in the "pre-built" section in southern Alberta. More than half of that \$4,000-km line has been completed. Already U.S. consumption of Canadian natural gas has dropped to the point at which American utilities are not taking all the gas subscribed for export by the National Energy Board.

In a near-desperate attempt to stave off a delay, External Affairs Minister Mark MacGuigan exchanged letters with U.S. Secretary of State Alexander Haig last week. At MacGuigan's request, Haig quickly responded that Washington shared Ottawa's concerns over significant delays in the project, adding that the U.S. "remains fully committed to the Alaskan Natural Gas Transportation system based upon proven financing." But Canada's pipeline dream (integral to its long-prophesied hopes for job creation and energy-based economic stability in the 1980s) and political rhetoric floated armlessly along the economic reality viewed by the U.S. financiers.

MacGuigan suggested in his letter to Haig that Northwest Energy Co. "may fail to appreciate fully the implications of any significant delay on the willingness of all parties to the Canadian government and Canadian companies involved to proceed at a later date." The implied threat may not be just a hollow one. The Northwest decision has sparked fears that the delay may extend beyond two years and that, indeed, the project may die.

Should that happen, Canada would lose out on a massive economic infusion anticipated during the construction of the northern section and would be left without any means of transporting its own Arctic gas reserves. And should the \$8 trillion value of natural gas proven to be available at Alaska's Prudhoe Bay not be tapped by the late 1990s, a Northwest spokesman said last week that the U.S. "sees the likelihood of severe shortages and curtailments and an even greater dependency on foreign oil." With the megaproject in a shambles and involved Canadian firms facing choices of either shelving programs or reducing commitments to the bore, Washington's possible dispute may give Ottawa some small solace as it runs its gamble and picks up the chips.

—HAL QUINN, with Ann Anderson in Ottawa and Wilfrid Leather in Washington



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MAGAZINE/MAY 26, 1982 35

RICHARD D'AMICO, the artistic director of the Manhattan Theatre Centre, was on his way to a movie when he got the news that Maggie Arnes, who had opened the night before as Lady Bracknell in *The Importance of Being Earnest*, had broken a hip. With only six hours to certain, MTC had to make a quick decision: cancel three wicked performances and lose \$50,000 in ticket sales, or find a stand-in. At 8:30 on April 22 the curtain rose and a car-of-sorts—was born. D'Amico, dressed in a makeshift costume, had mounted half his class. The remainder were hidden inside Lady Bracknell's diary. Throughout much of Act III, he/she read from it imperiously, ignoring the clutch of relatives and would-be lovers about her. The audience was raptured. He could fill into a coupole and come up with a conviction in each hand, quipped one theatergoer. The only criticism concerned his awkward crotch. D'Amico took it to heart and the following night he acknowledged the crowd's applause with style. Afterward D'Amico received a telegram from part-time therapist Max Yapper, the director of development for the Royal Winnipeg Ballet. It read simply "what has heard, is hysterical."

THEATRE ACTOR **Paul Rubink** may be a wailing ruin. Last year he did a wistful turn of comic relief in the highly acclaimed religious cult film *Tomb Raider*. However, picking up a Gene for his frenetic performance. Now he is playing the lead in *Shop for Sex*, an American romantic comedy about a young New Yorker on the prowl for his dream girl. Written and directed by 25-year-old screenwriter **Jonathan Kessler**, *Shop for Sex* is Rubink's premiere acting in a U.S. movie. "It was a tremendous risk—



D'Amico as Lady Bracknell: a star is born last

to carry a film for the first time, deal with a completely different culture and do light comedy with a first-time director," he admits. Rubink seems to have pulled it off. Last week, *Newswatch*'s David Ansen applauded his "sexy charm" and credited it with redeeming a rather "obnoxious Woody Allen-ish hero." To follow up, Rubink will portray lip-sucking **Sam Brownstein** in *Mr. Sam*, a four-hour TV movie set to shoot in Vancouver at the end of the month. Based on **Patric C. Newman's** *Brooklyn* Cynopsis, the Brooklyn show is being produced and directed by **John McTiernan** and will also feature **Al Waxman**, **Patrick Wilson**, **Griffin Gilman**, **Martha Harvey** and **William Hurt** among its all-Canadian cast. For his part, Rubink says he doesn't

want to stop taking chances with his career. But *Mr. Sam* may be his last bet yet. The CBC has paid an unprecedented \$1 million for the show, and Rubink's next move is a stamper when he sees it. To play Brownstein, he turned down a starring offer from Broadway.

Paul Pocklington has made it clear that being a national treasure isn't enough. He dreams of being "king." And, as the Edmonton financier and Oilers owner recuperated last week from a bullet wound resulting from the recent hostage-taking incident, his wish may have come true. A politician was busy carrying out a cross-country survey to find out whether or not Peter Frank has the makings to be prime minister. **Al Heltman**, editor of *The Daily News* in Halifax, says the caller identified himself—but he didn't catch her name. The question, however, is asked in his mind: "If Peter Pocklington was the leader of the Liberal party, would you be more or less likely to support them?" Confronted by reporters asking who was behind the poll, Pocklington could only speculate. "It might be some party interested in seeing how I would fare. Or it might be the Liberals worrying."

FORMER fire-fighter **Mr. Chinese Arnold Schwarzenegger** may have accomplished his childhood dream of becoming "the world's best-built man." But as an actor, he still has to take his lumps. Schwarzenegger has just finished filming his new feature, *Conan the Barbarian*, in which he personifies **Robert E. Howard's** sword-wielding comic-book hero. It was not always easy. Says the 38-year-old immigrant: "During location shooting in Spain we worked in below-zero weather for the winter scenes and got up with humidity and mosquitoes for the rest." An uncompressed camel hit and kicked him, and some overly enthusiastic dogs chased him up a mound of rocks, damaging his broad back in the process. Still, Schwarzenegger claims, "It was great fun." So much fun, in fact, that he has already signed on for four more *Conan* films. Says the machismo of the silver-screen: "Conan brings out the sensitive side of a guy, you know." —EDITED BY BARBARA HIGHTON



McGreavy (left), Schwarzenegger with co-star Valerie Quennesson: bringing out the sensitive





Nova Scotia: Land of enchantment

by Montgomery Daniels

You've travelled around the world, seen the Rockies, the Grand Canyon, the Alps, the Himalayas—all awesome to behold. But for another kind of beauty, for nature cast on a human scale, for magic that captures your heart while you hardly know it's happening, nothing compares to Nova Scotia, Canada's own undiscovered land of enchantment.

An enchantment of people and the place: Set out before dawn on Ed Kiley's 42 ft. Cape Islander out of Puxnoll's Cove.

Apple Blossom Festival

Or take a late spring walk through the Annapolis Valley and fall under the spell of the colourful and fragrant apple blossoms that fill the entire region. This year marks the Fifteenth Anniversary of the Apple Blossom Festival and Valley residents are celebrating in their own special way.

Tales Weave a Spell

Listen to the tales they have to tell: your Acadian fisherman guide out of Meteghan, surprising you with the delightful legend of Cy Ameneur who crossed St. Mary's Bay standing on a slab of birch bark; or the old-timer on the beach, searching for "the jewels of Glooscap's grandmother" along the shores of the Minas Basin. He means jasper, agate, onyx, and amethysts, the semi-precious stones that Micmac legend says were scattered along the Bay of Fundy for Nôgamé, the grandmother of the Nan-God Glooscap.

You'll Lose Your Heart to a "Hundred Thousand Welcomes"

Nova Scotia wins your heart before you even know it. Once you've heard the magic of a Scottish piper's melody you'll never forget it. MacDonalds, MacGreigors, MacKerries, MacLeods—you'll meet them all and the heat of other proud Scottish families in the immaculate small towns of Pictou County, or at special get-togethers like the Festival of the Tartans in New Glasgow. It's a grand outdoor Gathering of the Clans, and even if you can't find a Scot in your own family tree, you'll be truly welcome.

At every new turn in the road, you'll discover tremendous variety and richness. Whether you travel by car or motor-home, cycle or camp, on your own or in a group, you'll want to take time to linger and experience in the Maritime way of life firsthand.



Mouthwatering Seafood

Take the food, for example. You can eat virtually every kind of fish and seafood imaginable. If you're so inclined, try clamming at beaches such as Major's Point near Grosses Coques ("large clams") or on the olem flats between Port Royal and Annapolis Royal. The village of Economy (population 1780 in the Minas Basin lays claim to "the world's best clams" and you're invited to dig for them. When the waters of the Minas Basin, location of the "world's highest and lowest tides," recede, the mud flats are exposed for clammers. All you need is a pail and a shovel or clam hack.

You won't want to miss Nova Scotia's renowned Digby scallops; pick them up by the pound freshly shucked along the docks of Digby.

For many, lobster is the delight of a Nova Scotie vacation. You'll want to cook it in seawater on the beach, or sample it at any of the hundreds of lobster suppers and carnivals throughout the Province.

You'll discover Rappie Pie (an Acadian delight) and Solomon Gundy (herring marinated in spiced vine-

gar); blueberry grunt, Lunenburg pudding, finnan haddock, cod cheeks and ribs, marjolin and sorrelle, fat archies, and forach. The food of Nova Scotie expresses the unique history of the place. What a great way to study history!

History Comes Alive

While you're sampling the fine food and getting to know the people, you'll begin to sense that history has a living quality for Nova Scotie. At Grand Pré, for instance, you'll find the Church where Acadian settlers were called together and informed of their expulsion by the British in 1755; listen to the performances of local Acadian singers, and you may find the words of their songs narrating that same tragic tale.

The French tradition still continues in Nova Scotie, in French-speaking fishing villages, like Anchar or Cheticamp, where you'll also find some of the finest hand-hocked rugs in the Maritimes. Fortress Louisbourg on Cape Breton will carry you back into mid-eighteenth century life of "New France." First established by the French in 1713, it was a financial headache to King Louis XV and impossible to defend from land-based attacks, raiders from New England captured it in 1745, and in 1758 the British Army expelled its 2000 inhabitants and destroyed the fortress. Now considered the finest restoration in Canada, Fortress Louisbourg offers you the opportunity to come into contact with the vivid reality of the past.

Cherished Traditions

You'll discover a host of other historical homes, mills, and restorations throughout the Province, administered as part of the Nova Scotie Museum



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Complex. Outstanding examples are Sherbrooke Village and Ross Farm, two restorations that suggest the strong continuity between community life of days gone by and the rural traditions of today.

The outstanding restoration of the Halifax Citadel as a fortress and museum complex and the detailed reconstruction of Annapolis Royal, founded by Champlain in 1605, reveal the depth of that historical connection. Walk along the main street of Annapolis Royal and you'll find more than 26 heritage homes and buildings in the restoration process.

Tattoo Provides Spectacular Entertainment

The Nova Scotia Tattoo '92, is held in Halifax at the beginning of July.

The Tattoo harks back to 17th century Holland, when British troops were billeted with local townspeople. As a signal for the troops to report to their quarters, a drummer marched the streets every evening. The drumming wonned the local inkeepers to "turn off the taps," a phrase that means "Does Den Tap Toe" in Flemish. This phrase gradually contracted to "Tap Toe" and eventually became "Tattoo" for the British troops.

In Nova Scotia, the Tattoo combines eviken and military performers and has become a grand social event for residents and visitors alike.

If you're in search of entertainment on a more intimate scale, be sure to head for the Leading Wind Theatre of Chester, the only company in the country performing puppet melodramas and musicals for adult audiences.

Joy of Music and Song

Equally as appealing and intimate will be your time spent at the Meritime Old Time Fiddling Contest held annually in early summer in Dartmouth.

The Perfect Getaway

What makes your time in Nova Scotia unique is that you can choose the kind of vacation you want and always find plenty of space for just being on your own. Canoeing in the more than 3000 lakes that dot the Province is one great way to do just that.

"Canoe tripping puts people in touch with the outdoors," explains Jim Spencer, an outdoorsman who operates Maritime Canoe Outfitters out of Shelburne.

Or you might prefer to rise before dawn and make your way into Nova Scotia's angling paradise, an unspoiled wilderness that offers some of the finest sport fishing in all of North America. Atlantic salmon are the ultimate challenge. From mid May through the end of June you could fish some of the finest



salmon pools on the continent and never play the same stream twice. St. Mary's the Monksies, the Midway, Metem, Annapolis, Gasparaw, Musquodoboit, Ingram, Gold, Le Have, Petia, Lacombe — names of rivers you'll learn soon enough.

If you're a dedicated angler, you'll appreciate the shade and trout as well. Nothing like a fresh catch for breakfast. But as every angler knows, the real pleasure is found in the communion with nature, the peaceful hours spent in outdoor beauty that refreshes the soul.

(And even if you're no angler, you'll want to try some of Nova Scotia's famous smoked salmon from the smokehouse of Willie Kraush in Tangier. It's a gourmet's delight and your friends back home will probably be hoping you bring some back with you.)

Unspoiled Paradise

Of course, Nova Scotia's beaches are another unequalled delight. With a shoreline of 6,478 miles, Nova Scotia has beaches of every description, from the three-mile long beach at Martinique and its adjacent bird sanctuary to the secluded coves with sandbars that dot the shoreline of the great Bras d'Or. You'll find swimmers, sun-bathers, clam diggers, bird watchers, skin divers, picnickers, rock hounds, explorers and folks just having a good time. The warmest water north of the Carolina is found on the beaches of the Northumberland Strait. If it's a peaceful secluded cove you're after, just head down any likely road. You'll find what you're looking for and some pleasant surprises as well.

That's the feeling of visiting Nova Scotia, finding a place that's fun and comfortable, and yet full of surprising adventures. There's nothing in the world quite like it.



Captain's Log Brings History to Life

To help make your visit all the more memorable, be sure to pick up your own personal copy of the Official Captain's Log, a booklet that makes travel in the Province a fascinating process of discovery.

Available at any provincial tourist bureau in the Province, your Captain's Log features brief descriptions of more than 100 museums and attractions in seven different travel regions of Nova Scotia.

In addition to descriptions of the attractions, the Log has room for specially designed stamps for each attraction. The stamps are available at each designated location. Children will take a special interest in visiting all the attractions and collecting all the different stamps. It's a great way to explore the out-of-the-way rocks and crannies of the Province. It's educational and fun for the whole family. To add to the fun, Master Mariner's Awards are made to visitors who collect two stamps from each of the seven travel regions, or alternatively, fifty in total. Once the appropriate stamps have been collected, all you have to do is present your Captain's Log at any of the 10 Nova Scotia Travel Bureaus to receive a special Master Mariner's stamp and a Master Mariner's Coin, minted especially for Captain's Log holders. The Captain's Log is sure to make your Nova Scotian vacation a time you'll remember for years to come.



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BUSINESS

Alsands: the demise of a mega-project

By Suzanne Swarow

After the thousands of published reports and the action of television news crews on Alsands, the announcement of the death of Alberta's planned third oil sands plant took only 30 minutes. Spotlighted yet again by the glare of TV lights, J. B. (Ed) Cappa, president of Alsands Energy Ltd., said last week that "everything possible" had been done to save the \$13.5-billion project, but even last-ditch efforts by two levels of government hadn't been enough to convince the remaining private members of the consortium that the 135,000-barrel-a-day plant should proceed. "The time for the project to move ahead has been lost," said Cappa, citing increased costs, rising interest rates, continuing inflation, reduced oil flows of oil expansion and the downturn in world prices.

If Cappa administered the final blow swiftly, the death rattle of the mega-project have been sounding for weeks, culminating in a host of shuttle diplomacy to rival Alexander Haig's Pill-hatched Alsands negotiations. Government and industry representatives circled last week from east to west, trying to get together a deal that would persuade the three remaining sponsors—Shell Canada, Gulf Canada and the government-owned Petro-Canada—to stay the course, lest they be left alone.

The details of the new proposal offered by Alberta Premier Peter Lougheed and federal Energy Minister Mike Lalonde were released early before the oil companies gave their reply. Alberta and Ottawa were prepared to risk more than \$14 billion in cash and loan guarantees—more money than the cost of the plant—to save the project. The governments offered to acquire a combined 50-per-cent share in the project, with Alberta's funds coming from the \$11-billion Heritage Trust Fund. For its part, Petro-Canada would up its participation in Petrochem, which already had a 17-per-cent stake in the plant. As a result, the governments offered to guarantee a total of 68 per cent—34 per cent each—of the money needed by the private partners.

As a result, the companies would risk only \$2 cents for every dollar they put into the project. The two governments would guarantee bank loans for the other 68 cents, and if Alsands didn't become the money-maker the governments anticipated, they would have to step in and repay the banks. Not only that, other investors in the proposal included an incentive tax holiday for the

company until the loan was repaid. According to the Alberta government, the package provided private sponsors with "at least the 50-per-cent annual return on investment they have been seeking, even if world oil prices rose only slightly faster than inflation." It was, Lalonde said simply, "a very generous offer, there's no doubt about it."

But, in the end, the withdrawal of the companies caused little surprise. At

"[People must] recognize that external factors are primarily involved," he said.

The Liberal government, which had tossed Alsands as a key plank in its platform to make Canada energy self-sufficient by the end of the decade, was also putting on a brave face, pointing out that Canada still has other sources of oil such as the Alberta and Bonanza fields. "We can't provide energy sooner than Alsands anyway," Lorne Leighton, who at one point used Alsands as a pacesetter in energy negotiations, Alsands avoided blame by transferring it to external factors. Even if construction had started 18 months ago, high interest rates would be besetting the project, he said, noting the collapse of the American Synfuels program and the Roman shale oil program in Colorado (in fact, that project requires a world oil price of \$60 a barrel to be economical in Alsands' \$45 a barrel in today's dollars). "There are a lot of things either preceding or in the process of detailed engineering," he says, refusing to admit that self-sufficiency in oil has been sacrificed. Lalonde predicted that Canadian requirements will fall from the present 1.77 million barrels to 1.57 million by 1990 and that "supply and demand could be in balance by 1990."

For his part, Cappa gives the governments their due. Cappa "worked very hard," he says, but there was "no guarantee at any time of a 50-per-cent" return, even the "potential of 30 per cent." That was the risk, as well, of the nearly 10 investors contacted to reconsider participation in the following project last week. Cappa also said that if Alsands had been started in 1976, it would be a third to a half-complete now, and "impossible" in the present economic climate. But he produced no more commitments of his sort until there was an economic upturn. Neither did he denounce smaller projects because their scale would be uneconomical.

In the wake of Alsands' collapse, Opposition critics lamented the lack of understanding between the government and the industry because of the National Energy Program. But few alternatives were offered. Only Alberta NDP Leader Grant Notley had a concrete suggestion. He recommended expanded highway construction and a transition to the information industry, which would provide employment for firms that had been existing on Alsands.

It would take a lot of asphalt to replace Alsands. The province's biggest-



Lalonde: his efforts were to no avail

Shell's midweek annual meeting it was announced that first-quarter profits were \$24 million—down from \$89 million last year. Strengthening has areas wide to indicate the magnitude of the oversupply problems in eastern Canada. President William Daniel said company that Shell was considering shutting down an eastern refinery and retooling its new western program consisting of small long-term mining and chemical projects. Leighton said the portfolio correctly. Even before the announcement of Alsands' demise, he was protesting that no one could blame his government if the project collapsed.

our construction job was expected to inject 75 billion into the Alberta economy and 116 billion into the economies of the other nine provinces—mainly Ontario's. For Alberta, alone, the construction of the plant and the new town that was to have accompanied it would have provided 12,800 new jobs. The long-term prospects were equally promising: Alameda predicted the plant would infuse another 1,000 billion into the Canadian economy over its 30-year life-span.

By the consortium's calculations, the long-term economic impact would be greatest on Alberta, which would have received roughly 38 per cent of the benefits. But Ontario had expected to reap 25 per cent, Quebec 12 per cent and other provinces 10 per cent.

Last week, those hopes for economic renewal were dashed for the foreseeable future. The doomsday scenario now seems more of a dream of exploiting the oil wealth of the "oil sands." The oil sands have been mined since 1978, when explorer Peter Pannd reported striking bituminous sand deposits along the Athabasca River near what is now



Alameda as it might have been: isolated site for decades

Fort McMurray. Efforts to retrieve the wealth began less than 100 years later. It wasn't until the 1950s, however, that technology was perfected to "mine" the thick, sticky sand and pilot plants actually went into operation. The Suncor plant, built in 1967 at a cost of \$150 million, is designed to produce 36,000 barrels a day, but due to a series of mishaps, was producing only about 37,000 barrels a day last year. Suncor's sister in 1978 at a cost of \$1.6 billion, has been equally bedeviled by problems, averaging 60,000 barrels a day instead of its 70,000-barrel capacity. Together, last

year, they provided about 30 per cent of Alberta's total oil production, a far cry from the 60 per cent predicted for 1990 by the Alberta Energy Resources Conservation Board. Those problems did not bode well for Alameda, nor did the escalating estimates for construction costs. When the Alameda group was formed in 1978, the plant was estimated at \$4.9 billion; by February, 1982, that had escalated to more than \$13 billion.

The Alameda project would have been located in the northeastern Athabasca of sands, one

of four major Alberta deposits that cover more than 18 million acres and contain an estimated 940 billion barrels of oil. Every scheme for Canadian self-sufficiency includes the tar sands, even if it is acknowledged to be the most expensive oil in the world to obtain. And if Alameda is gone, the wealth runs dry. As an 1980 chronicle put it, "What this region is stored with a substance of great economic value is beyond all doubt, and when the hour of development comes, it will, I believe, prove to be one of the wonders of northern Canada." ☐

A corporate era closes

As Sinclair, the bank, hard-driving former head of Canadian Pacific (CP), who in an uncharacteristically candid mood "I had the best job in Canada for a long time, and I hope I've made a contribution," Sinclair told Macdon's last week after his resignation as chief executive officer of Canadian Pacific Enterprises, a resource subsidiary of the railway transportation giant, CP Ltd. The move completed a transition of power that began last year when he stepped down after nine years at the parent company's helm. And Sinclair's modesty notwithstanding, the consensus among his colleagues was that his retirement marked the end of an era in Canadian corporate affairs. Sinclair had ruled over one of Canada's largest corporations with a panache and a hard-headed manner that transformed it from a conservative transportation company into a multinational operation with 2081 assets of \$13 billion.

Reflecting on his achievements last week, Sinclair said he was particularly satisfied by the success of the company's

restructuring" as CP Ltd. and settling labor issues. In fact, he made his mark on both scores at a very early stage in his 46-year career with the company. He joined the company in 1942 as an assistant solicitor and soon earned a high profile as the company's leading spokesman in winning a breakthrough for the railway industry that eliminated freedom from freight and yard ditches. Sinclair's greatest achievement came, however, following his appointment as chief executive of CP in 1978.

In the years Sinclair headed both the parent company and its resource subsidiary, he set them on a program of acquisitions that resulted in a period of phenomenal growth. Sinclair took particular pleasure in the success of CP Enterprises. Its assets ballooned from \$1 billion in 1967 to a current total of \$13 billion.

Sinclair stepping down



During his tenure, Sinclair was named to chairman of CP Ltd. as a widely held company, despite the judgment of analysts that the company was ripe for takeover. Harman continues that Paul Demarest, chairman of Power Corporation—which bought a four-per-cent stake in CP last year—still has eyes on majority control. But Sinclair dismisses them. "Demarest is my close friend," he says, "I'm glad to see he's put his money in a good company."

As for the future, Sinclair, 68, will stay on as chairman of CP Enterprises, where he will "offer whatever advice" he can. He says he has great confidence in his successors at the two companies—Fred Swindle at the parent, Robert Campbell at CP Enterprises. And although Sinclair is vague about his future plans—he says he will pursue "financial interests" from his new home in Oakville—there is little doubt that Ian Sinclair will remain one of Canada's most outspoken executives. ☐

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An impossible dream turns to bronze



Gretzky scoring against Sweden's defense with a bronze, resignation and alibi

By Matthew Fisher

Canadian hockey has not yet run out of excuses. Its representatives at the World Ice Hockey Championships, an odd assortment of refugees from the National Hockey League playoffs led by Europe's latest sports sensation, Wayne Gretzky, came within a Soviet goal of a silver medal last week in Finland. They headed home with a bronze three-plate finish, some resignation and alibi familiar to their countrymen's and opponents' ears.

This year's Team Canada was the strongest ever assembled for the tournament, due to the unexpectedly early departure from the Stanley Cup quest by the Montreal Canadiens, Edmonton Oilers, Philadelphia Flyers and the Minnesota North Stars. The team was "hockey ready," in the words of forty BE Barber. And the addition of Gretzky gave it at least as good a chance against the Soviets, they thought, as Team Canada had in last September's Canada Cup. But if the 1984 Canada Cup humiliation at the hands of the Soviets was improved upon by a pair of suc-

cessful losses (4-0, 6-0) in a 24-hour span in Finland, there were other stark embarrassments—the most painful of which was a 3-0 tie with Italy early in the tournament. The overconfident Canadians were nervous to see up the puck at the blue line and blink away at New Zealand's Jiri Gajdos in the Italian net. The Italians capitalized on the breakdowns, and Gajdos was brilliant in stopping 22 shots.

The Swedes bowed to the Canucks' and Gretzky's mastery 6-0 in the second round but sat before also earning a 3-3 draw. And Canada's second-round 4-2 win over the Czechs failed to erase an earlier 6-3 loss. Had the Canadians outscored the Czechs, the silver would have been theirs.

So it was last Thursday that the Canadians could only sit and watch as the Soviet Union and Czechoslovakia walked through their third period to a scintillating draw. The Soviets, who had not lost or tied a game in the tournament and had not been shut-out to a championship game for 33 years, had their gold medal locked up and settled for a tie, giving the Czechs the silver.

The International Ice Hockey Federation's Swedish newspaper *Hälsningsnytt*, headlined its FINAL MATCH BEARS IN WORLD CHAMPIONSHIPS. Had the Soviets won, Team Canada would have taken the silver, its first in 30 years. But the medal had been squandered long before the final game.

Only a few Canadians, notably Bobby Clarke, were willing to admit that the Soviets were the best. "We deserved better than we got," the star of the 1978 Canada Cup said, "but it's up to us to prove we're as good as them." Others were less sure. Barber, from Oshawa, Ont., who joined Gretzky on the tournament all-star team, the first Canadian pair to make it since 1968, said, "I think all the players in Canada know in their minds that we are the best. If we'd had more time over here, we would have knocked them off."

Tempering the team's disappointment somewhat was the admission showered on Gretzky. A special photo feature on him, complete with posed pictures, appeared in the popular women's magazine *Anna*. Another women's magazine called him "hockey-psy." One not impressed by Gretzky was Soviet coach Viktor Tikhonov, who scoffed, "We have players like him in the Soviet Union before he was born." Also not impressed was the International Ice Hockey Federation, which named Barber, Carl Reimhart and Daryl Sittler as Canada's top three players. Sittler immediately threw his towel, a Japanese watch, to Gretzky. The young legend returned it with a grin.

From beginning to end, Gretzky seemed chafed with the idea of playing for the Soviets, someone always working them into answers to unrelated questions. At the tournament's end he said, "I'd love the chance to play the Russians in an eight-game series."

Such an encounter may be the dream of most players and fans but it would seem a long way off. The man who has done so much to arbitrate international play, Hockey Canada's Allen Eagleson, spelled it out: "It doesn't make sense from a financial point of view. We have to recognize that 14 of the 21 NHL teams are American-owned. It's become enough difficult persuading them to let their players come over to the World Championships. I can't expect the NHL to raise down a \$5-million-a-week stipend to come over here."

So Canadians will still have an excuse whether it be a well-conditioned group of players from the lesser teams in the NHL, in April or the best one "hockey ready" in September in the Stanley Cup. The Russians will win, but, should Canada become an upset, it will only earn the players' enduring admiration they otherwise have no chance to prove—that, at hockey, Canada is the best in the world. ☐

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The Battle for the Falklands

For nearly a month the tension increased notch by notch as diplomats argued and the British armada plowed relentlessly through the distant South Atlantic toward the barren Falkland Islands—and the brink of the storm. After a short, virtually bloodless passage of arms on South Georgia, London and Buenos Aires spent most of last week in an increasingly bellicose exchange of threats over Argentina's occupation of the islands on April 2. Then the diplomatic channels fell silent and a lone British Valiant bomber thundered over the Falklands. Just after midnight on Saturday, the huge, thunderous jet unleashed thousands of kilas of Airfield Attack Bombs, known to the British as "Concrete Dribbers," as airstrips and aircraft around the islands' capital of Port Stanley. At sunrise, a wave of Harrier jump jets flew nearby aircraft carriers swarmed over the island in a rocket-and-bomb assault. Within hours of the initial at-

tacks, Argentina declared that it would meet "war with war."

The opportunity to do just that soon presented itself. To launch his Harriers against the airport, the British fleet had first to destroy or silence 140 km of the islands. The eight cluster of Royal Navy vessels was swiftly targeted by Argentine aircraft, but the Harriers responded then repeatedly in a dogfight, many of what one pilot on the Harriers called cut-and-rotate Argentine aircraft had slightly better luck against three frigates detached from the fleet to move in and shell army positions near Port Stanley with their 11.8-cm guns. The Argentine planes, operating at the very limits of their range, scored over mines that caused splinter damage on all three ships and wounded some sailors. However, the Admiralty was swift to announce that the injuries were minor and damage was slight.

Although the British claimed to have knocked out the airport—and judging



from the damage dropped, its survival appeared unlikely—the Argentines were defiant and, they said, unharmed. Replying to a British call to surrender, Falklands Gov. Gen. Maurice Mauden replied, "Under no circumstances, we are giving in." Then he taunted: "Bring the little prince [Andrew, who is aboard HMS Invincible] and come and look for us." From Buenos Aires came the day's grandest calculation of damage as the opening day of battle: at least four Harriers downed, one pilot captured, a British frigate in flames and calling for aid, and, above all, an undiminished willing-



Port Stanley airstrip before British attack. Argentina has spent little but encourages both sides to relax evacuation forces

ness to carry on the fight. London scorned the damage claims.

First Air Arm pilots back from their 40-minute sortie told reporters that while anti-aircraft fire over Port Stanley was fierce, it was also wildly inaccurate. Said Flight Leader Mike Elwell: "It was like fireworks night, they were just hanging the anti-aircraft fire into the sky." Other pilots from a raid over Goose Green, 46 km west of the capital, were dubious of what they saw and were badly scattered during planes on the runway. If the fighting was ineffectual, the one certainty was that the dramatic escalation from threats of war to the real thing had seriously cut back the chances for any early settlement.

The powder trail leading directly to the weekend explosion was lit by seven days earlier with the bloodless capture by the British of South Georgia, an island dependency 1,300 km southeast of the Falklands. The Argentines, who had been expecting a reply to their latest peace proposals instead of an assault, immediately broke off negotiations. But it quickly became clear that the Organization of American States would provide only lukewarm support for Argentina's claim to sovereignty over the Falklands, and Buenos Aires resumed its diplomatic efforts. At the same time, U.S. Secretary of State Alexander Haig released a new set of peace terms which were called over in London and Buenos Aires. British Prime Minister Margaret Thatcher, however, was publicly skeptical and the effectively closed the door on further talks by declaring that "the key to peace is in the hands of the Argentines."

Then, in quick succession, Washington imposed strict economic sanctions on the Argentines and pledged full moral and material support for the British—whatever course they followed.

Then the hostilities began to escalate. At nightfall on Saturday, British warships opened a bombardment of the islands, and Argentine aircraft were readied for a possible attack on the fleet. Meanwhile, London appeared to be set for a full-scale invasion to retake the Falklands—whatever the cost.

For its part, Buenos Aires seemed increasingly likely to have to choose between some form of surrender, or turn to its traditional enemy—the Soviet

United States by British Foreign Secretary Francis Pym was clearly pleased as a diplomatic bowl to be offered after the military knockout blow was delivered.

The strategy was similar to that used in the conquest of South Georgia. According to Norman Budge, White House director of national security planning, Britain and Argentina had reached "very substantial agreements" before the South Georgia assault. But subsequent British military action, intended as rough persuasion in support of the peace initiative, hardened, and Argentina did not give in. Nevertheless, the British, buoyed by the U.S. turnaround, decided to play the hard game in the Falklands.

The fundamental fact is that economically, strategically and politically the islands are worth little

One of the most surprising elements in the weekend invasion was the use of the Vulcan. Originally part of Britain's nuclear deterrent force, the Vulcans were being phased out when 20 were ordered refitted for conventional airborne highway through the current crisis. The six-hour trip from Ascension Island required three mid-flight refuelings by four Victor tankers. Further Vulcan missions against the islands as the Argentine mainland could be refueled by U.S. KC-135 Stratotankers—mentioned as possible allies in the material support that Washington has promised Britain.

With supplies to the Argentine troops cut off, winter clothing in an apparent improvement in the immediate weather picture over the Falklands, many strategists expected an invasion to be launched by British troops from the battle fleet and the requisitioned cruise liner Canberra, which reached the islands on the weekend. Strategists also predicted that the Argentine occupation force may now be too demoral-

Harrier on test mission: the conflict has proven man's recurring impotence at solving his disputes with words



used to put up a spirited defense. Leaving conditions for the troops bracketed in terms on the islands could hardly be worse. A scrawled letter from an insider reported severe dysentery among the Argentines (the islands have very little fresh water). There were also reports that starvation rations have forced soldiers to slaughter livestock and cats to survive. Not even the 46 guerrillas decimated by sympathizers, misadventurers, or the wendos killed daily by wendos in the new Aires Plaza de la Independencia, could be expected to improve their prospects.

At the same time, most of the troops are inexperienced conscripts, unlike the seasoned British marines, whose training sessions have included cooking lessons on elephant seal eyes, a vitamin-rich delicacy. On a bloodier note, they have also been briefed on how ways to tear off human ears, while their shipmates have been firing Sea Dart ship-to-air missiles on practice shoots at \$467,000 a round. Early last week, British fleet commander Rear Admiral John Woodward echoed Thatcher's war talk by declaring joyfully that "South Georgia was just an appetizer—now there's the heavy punch coming up behind." Later, after a ministerial setback, Woodward gravely announced that attempts to retake the Falklands would be no walk-

over but a "long, bloody battle." Although Britain's diplomacy may have had predictable results given its backstage military machinations, nothing certain could be said about Argentina's motions before last weekend's hostilities. Throughout the week, internal dissension within the ruling junta led to conflicting messages being sent to the outside world. The communications

showers. The state apparently rejected May's latest offer of land, even as Costa Mendez was trying to patch an agreement together.

The ineffectuality of the junta's foreign policy eventually led Blair to renounce his shuttle diplomacy and throw U.S. support behind Britain. In the process, Washington labeled Argentina the aggressor. As the battle raged, Britain's Prime Minister Margaret Thatcher, in Washington while Foreign Minister Costa Mendez returned home from the United States, his diplomatic campaign a shambles. Still, all sides continued to proclaim their desire for peace and called upon UN Secretary-General Javier Pérez de Cuellar to mediate. But if this seems conflict has prevented anything at all, it is the recurring importance of men to solve his disputes by words alone.

A month ago, only the distant peninsula world stage provided current events on the Falklands. Every war holds major importance, but the Falklands conflict has more than its share. The fundamental fact about the islands is that geographically, strategically, and politically they are of little significance. But now, enshrined by the raising of an Argentine flag on a barren rock, the focus is being played out over little more than a symbol. Unusually, Britain and Argentina have assumed their greatest stances as colonizer and colonized.



Argentine soldiers in Falklands; most are inexperienced conscripts

breakdown surfaced most disastrously on Thursday when Foreign Minister Nino Costa Mendez, a civilian not sworn to the military oath, rebelled, was attempting to deal with May's latest proposals. Meanwhile, the state department was dispatching a written note from Buenos Aires, possibly from Interior Minister Augusto Saint Juan, a hardliner who had assumed the title of acting Foreign Minister in Costa Mendez's

studies. They are expelled by a British force.

April 2, 1982: Argentina abruptly invades the Falklands, expels the British governor and declares the sovereignty Argentine territory. The UN Security Council passes Resolution 502 the next day, calling for Argentina's withdrawal and a cessation of talks.

April 3, 1982: A British naval task force sets sail for the Falklands, and U.S. Secretary of State Alexander Haig begins his frenzied and fruitless diplomatic shuttle.

April 25, 1982: The British retake South Georgia after a short skirmish and, two days later, declares a total exclusion zone around the Falklands.

April 30, 1982: As the British task force closes in on the Falklands, the U.S. breaks its neutrality and pledges moral and material aid to Britain.

May 1, 1982: British jets bomb the Port Stanley airfield.

—DAVID HAUPT BRUCE

Countdown to a conflict

Scrambles over the barren, windswept collection of islands known variously as the Falklands and Las Islas Malvinas are on and on many promises in the area. The intractable rocks have been a source of controversy between Britain and Argentina for almost 100 years.

1706: The first British to inhabit the islands arrive and are expelled five years later by Spain. They return in 1770 but leave again by 1774. The Spaniards at this point got the islands' administration into the hands of their colonial office in Buenos Aires.

1815: With Spain losing its grip on its South American possessions and the Malvinas becoming a luxury Madrid can ill afford, the Spanish abandon them. However, in six years before the Argentine arrives to put down the 1933. Officers of the British ship *Clio*

raise the Union Jack on the site of Port Stanley and order the Argentine governor and garrison to pack up and leave.

1849: After more than a century of this, the sovereignty question resurges when Argentine dictator Juan Perón makes it a national rallying cry. Fractious talks with the British begin at the international level.

1960: The United Nations General Assembly passes Resolution 1244, endorsing the need to end colonialism.

1982: Another UN resolution recognizes the Falklands as a colony and urges both sides to end negotiations.

March 16, 1982: After years of fruitless negotiations, a group of Argentine army soldiers land on South Georgia Island, 1,200 km southeast of the Falklands, in a seemingly harmless expedition to dismantle a disused whaling

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In fact, despite its pro-British air, Britain has been trying to give the Falklands to Argentina without losing face since 1982. Upgraded by US negotiations asking the two countries to settle the dispute once and for all, Britain established supply and communications links in the 1970s between the Falklands and Argentina in the hope that the islanders might eventually be won away from the Westroner contention. But the smouldering black has been the islanders themselves (called "help-ers" after the dominant maritime force), who in true colonial fashion are more British than the British and harbor an intense dislike for Argentina.

Meanwhile, Buenos Aires has done little but encourage both sides to raise unseemly forces and trumpet its claims to sovereignty. Patriotic Argentines believe that the "Malvinas," as they are known in Latin America, are Argentina's God-given possessions. Argentina's choice of timing for the invasion seems to have more to do with the junta's need to distract attention from a 1984 economic inflation rate and government corruption, responsible for the death or disappearance of an estimated 30,000 citizens since 1976, than with any strategic considerations.

It is significant that the regime was just as stunned by world reaction to what it considered merely the exercise of a long-denied right as the world was confounded by the attack itself. Such apparent stupidity was perhaps best described by exiled Argentine editor Jacobo Timerman, who says the junta has been carried away by "political hallucinations which determine courses of action that can lead to situations of unassumed violence seemingly impossible in the contemporary world."

Thatcher's grabdash diplomacy appeared to deny Argentina's motive to defeat the Falklands—initially, at least. Galtieri will have widespread popular support for the war, but his strident economic policies were spurned again during workers' demonstrations last week. Signs reading "VALANTINOS YES THE REACTION NO" reflected general displeasure with the "proton" of state interventionism, including mass restrictions, imposed by Economics Minister Roberto Alvarez, in giving their support for the war, unite and defeat



themself. Buenos Aires never spent a cent," Don MacDonnell said. "If the Argentine government were to lose control of the masses, we would be well and truly caught."

The resurgence of the Falklands conflict conceals the possibility that the squabble might lead to a global conflict involving the two superpowers. The danger was underlined by Blair, who warned that the crisis raised vital issues of hemispheric solidarity at a time when Communist adversaries seek positions of influence in the Americas of the Americas.

His concern with possible Soviet intervention underscored how potentially dangerous the dispute has been for U.S. foreign policy in the Americas. By turning against Argentina, Washington is in danger of losing its most valuable ally in supporting right-wing dictatorships throughout the hemisphere (page 46). American assistance for most of last week was concentrated on a special meeting of the OAS called by Costa Rica. The Argentine foreign minister hoped to invoke the 1957 Rio Treaty, which commits its signatories to aiding members attacked by outside powers. Great Russian U.S. pressure, the OAS settled for a demonstration of British expedition and supported Argentina's claims to sovereignty but stopped short of calling for economic or military sanctions against Britain. In Congress, on

the other hand, feelings of solidarity with Britain ran high, culminating in a near-unanimous Senate vote to back their NATO ally.

The decade rejection of centrality by Washington has tipped the military balance strongly in Argentina's favor. Thirty of Argentina's M16 Skynawk jets are reported grounded with engine trouble. The replacement parts are in the United States waiting shipment. They will not be worlded.

Britain's major weaknesses in the conflict is its supply lines, but the U.S. promises material assistance. "I could see U.S. Strategists to aid the

in-flight refueling of the Vulcan based on American data. The possibility of an invasion of the Falklands now that the 2,000 troops aboard the Canberra have arrived this year increasingly likely. But it must take place soon or not at all. If the Argentines can reorganize their forces after the weekend attack, time is on their side. However, the immense cost of super-operations—Britain's launch of the armada cost \$300 million plus an additional \$60 million a month operating expenses—may well be the deciding factor.

Britain can now afford to entertain further peace negotiations for a limited time at least, even though it shows no intention of making the military pressure. By sending troops to the UK Thatcher has temporarily reassured Parliament behind her. Jealous of the UK's power to effect peace, she is now confident enough of her military prowess to give negotiations another chance. Before the British attack, Argentina had professed a strongly olive branch, promising to abide by UN Resolution 503, ordering her to withdraw and both countries to cease hostilities and negotiate. But then Costa Rica added the kicker—withdrawal only if a deal gave Argentina sovereignty.

Despite Argentina's tough stance, White House security official Bailey claimed that the proposals passed on to Britain immediately before the South Georgia occupation were still negotiable. The two sides can make or just agree on a phased withdrawal of the British fleet and Argentine troops from the island and a five-year interim civilian administration composed of Argentines, British and the United States. Britain and Argentina would then work on the island's status according to a fixed schedule. Since Britain has insisted that the islanders' wishes be taken into account, a referendum would be held during these negotiations.

If Butler's analysis is correct, the only sticking point is the wording of a referendum resolution. Britain wants the voters to choose between British and Argentine rule, while Argentina, fully aware of their situation, would prefer something less than Argentina's demands for a guarantee of sovereignty could be partly met by a variant of the "Hong Kong" solution. In this arrangement, Argentina would be granted nominal sovereignty, but Britain would retain real administrative power for at least 25 years. The voters rejected a similar proposition in 1980 but now they may have no choice—more than any of the parties considered, they lost the war long ago.

—MARK CRANBURY
With Leonard Maltin in New York, David Huxley in Buenos Aires, David Kennedy in London, Michael Porter in Washington and Allen Parris in Buenos Aires.

To the victors the spoils

Even before the first British bombs fell on the Falkland Islands, investors had been a very early prize. Indeed, Argentina's sale is reliably recorded at \$80 million, not counting likely damage from trade embargoes and besetted credit. Britain's cost is not that far off, at just at between \$25 and \$35 million.

All this, it turns out, is a very hefty multiple of the archipelago's price on the open market—judging from the history and the location (one of the Falkland Islands Co. Ltd.—the unit surviving Government ownership since the end of the Victorian era. The company once owned half the real estate on the Falklands and no more than 250,000 of the 650,000 sheep, northward and

southeast, per cottage, the single man on a retreat, reported to make up for a retirement, back in dormitory-style dorms. Wages, about \$7,000 per year, are comparable to English farm pay. Of course there is rarely a whisper. The overwhelming bulk of the profits has been exported to Britain and reinvested in it. Some \$700,000 in reinvestments had been expected this year. That was, of course, before Argentina pounced.

Trivial as that sum is, it has proven enough to make the Falkland Islands the location around the city of London like a regular business since the original owner's descendants had set out in 1972 to Dunder, Perth and London Securities—an offshoot of the ambitious Slater, Walker Brokerage. The company has



Port Stanley harbor in possession. The Falklands Co. grew as fast as its flocks.

named-breed sheep that outnumber the lions 300 to 1.

Chartered in 1951—just 16 years after the British warping Clay had edict to the last Argentine governor on the Malvinas—the company grew as rapidly as its flocks, eventually encompassing 1.2 million acres of land and branching out into shipping and merchant trade. It now maintains virtually all of the island's commerce. One of three Falklanders works for it directly, and most of the rest depend on the company's stores, handicrafts, slaughter houses, banking and insurance areas. It is the sole agent for vending the island's roughly 21-million-lb crop of wool—half of it sheared from company sheep, the rest bought from independent farmers. Four times a year, the arrival of the company's ships marks the highlight of island society, bringing a cargo of imported from Watson's Ale in British Leyland's Metro Mins.

The company's paternalism is reflected in the workers' housing: Married

men changed hands twice and is now owned by the Cooke Group, a Malvinas-based bank and transport firm that has diversely declined commitment on its tiny subsidiary—source of just two per cent of Cooke's profits.

Along the way, inevitably, the company's previous owners managed to feed off a bid for it in 1973 from a group of Argentine investors by serving the Falklands British Overseas Trust. That law has not but British subjects have bought land on the island without a license from the governor and approval from the island's executive council. Most current members, though, are Falklanders who have long viewed Argentina's ferry-money and bloody politics as differently one U.S. bid, which might otherwise have succeeded, was in the range of \$10 million. Adjusted for inflation and debited to account for the holdings of independent farmers, that is a pretty fair measure of what the real estate in dispute—if not the principle—is really worth.

Thatcher's abolition



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ringing on permanent job offers to graduates is considered a bellwether of tough times to come. John Kfiruk, a 23-year-old, honours geology student at Ontario's Carleton University, had sold his car and spent most of his savings on new clothes when school's "first" offer of a \$30,400 permanent job was snatched away from him. Doree and HBC are not the only culprits. A recent survey by the University and College Placement Association (UCCA) shows 38 of its major job suppliers cutting back or cancelling between 36 and 100 per cent of their offers. The fact that each of them anticipated a severe shortage of qualified graduates in the fall is an especially grim irony. Says Pat Wewer, UCCA executive director: "Despite the fact that 20 companies were clamoring to interview graduating students last October, not a single offer is available now."

A handsome string of government job creation programs will slightly offset the plight of returning students. Last year the federal government spent \$11.5 million placing students in 325,000 jobs through its summer employment centres alone and this year has earmarked \$120 million for its Summer Canada program. Projects range from a naive internship program to an RCMP scheme to replace retired constables. In addition, students are applying to myriad provincial programs and schemes.

Lemmon-student initiatives are also leading some students from the house. The Student Venture Capital Program in Ontario administers loans of up to \$2,000 for those starting their own businesses. Four times more students applied this year than last, reflecting the scarcity of summer jobs to be found currently in Ontario. One student entrepreneur, Edson Litwin, 22, of Mississauga, Ont., is capitalizing on the dovetail Litwin has among a smoochcart, Deal with his home-town newspaper, The Mississauga Times, and with The Brampton Guardian. For \$2.75 he will book a classified ad for any student with services to hire. No one will deny that his market is promising.

Not everyone is shuddering tears for students such as Litwin, however. Although the current recession could force some students to abandon their plans for a post-secondary education, placement officers predict that almost all will struggle through, albeit with less spending money in their pockets and heavier debts when it's all over. The real problem lies with out-of-school youth between 15 and 24, 16.4 per cent of whom were unemployed this winter. As one mother of a teenage daughter remarked: "I really wonder whether I'm carrying out my community responsibility when I urge my daughter to find work this summer. So many others need it more than she does."

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Selling cars with punch



The contrived road ad: the on-faced message in the lower auto industry's bad news

By Carol Brunan

The way to sell cars, most dealers believe, is to emphasize design and performance in slick television and magazine ads. But a small band of domestic car dealers have resorted to a pushover style of promotion. They're using 30-second TV spots to lure buyers, with a contrived advertising campaign. The commercial, sponsored by 35 General Motors dealers in central Ontario, shows two frob-faced nannies discussing their futures. When one of them utters the word "imports," the camera flashes to an underdressed male of our blowing up on the screen. The dialogue, written by C&H-TV in Barrie, Ont., which is running the ad 50 times a week for the next two months, matches the punch it depicts. Says the first child: "As one time the imports offered something on dish." Her playmate continues, "That's changed, when you buy GM value you're investing today for tomorrow."

The ad comes at a time when trade talks on import restrictions between Japanese and Canadian officials have shifted into neutral. Last month, GM's sales in Canada plummeted 35 per cent from the same period a year ago, even as new owners of widespread Toyota and an aborted \$100-million export deal to Iraq. Just when it seemed the picture couldn't look bleaker, GM dealers—who four years ago could boast that seven of the top 10 sellers in Canada were GM dealers—learned that in March the Japanese

outsold GM for the first time in history. So nervous are some GM employees about their job security that recently a low-level supervisor at the company's Oakville, Ont., plant issued a warning to his colleagues: any non-GM cars parked in the company's management parking lot would be towed away. The next day a red-tinted newspaper explained this was not company policy.

Because of a barrage of complaints, the current ad is actually a toned-down version of three harder-hitting commercials that featured a Toyota, a Buick or a Volkswagen blowing up on the screen. Of the 26 people angry enough to complain about the former ads, most criticized the commercials for being racist, racist or exploitative of children. "It teaches terrorism to children," says Judy Jackson, a relative of a Toyota dealer in Barrie who has retained with a radio ad which says, "How your mind—buy a Toyota. Even the Toronto-based Advertising Standards Council (ASC) took some questions about the commercial's overblown content. "Some people felt the ad has unfortunate racist overtones and explicit violence," says council President Bob O'Leary, who has received 15 complaints.

Paul Sadler, a GM dealer in Barrie, insists that violence and racism were not on his mind when he came up with his controversial brainchild last January. He claims the commercial was created for two reasons: to stress the economic consequences of importing

outside the Canadian economy, and to remind potential buyers that the decision they make now could have a bearing on their children's future job prospects. Blowing up the imports with domestic, Sadler says, was simply a "bold" way of grabbing viewers' attention. "It's very difficult to get a message across in 30 seconds."

Most domestic car dealers, though, don't believe hard-hitting ads are the best way to vent their frustrations. Instead, a small group, representing 35 per cent of the 2,500 domestic car dealerships across Canada, is lobbying the federal government to recommend a temporary reduction in imports to give automakers some "breathing space." "There is nothing to get their production costs and quality in line with the Japanese," says Norman Corle, a GM dealer in Hamilton, Ont., who recently met with External Affairs Minister Mark MacQuinn and Trade Minister Ed Leamy in Ottawa.

General Motors of Canada, which had no hand in the commercials, claims the adverse publicity Sadler's ads have generated. "It's not our way of doing things," insists GM spokesman Nick Hall. "We like to be thought of as a big family type of company." Adds Doug Murray, senior vice-president of MacQuinn Advertising Co. Ltd., which handles part of the GM account: "General Motors doesn't like dragging down competition. It likes to promote its products." For instance, the agency is launching a campaign trumpeting the automaker's claim that 80 of its models get more than "50 miles a gallon" on the highway.

If GM isn't ready for Sadler's approach, plenty of viewers and salesmen are. "People are saying things like 'Today, it's about time,'" says GM Sales Manager John McCullough. Both he and Sadler hope to end the rights to the commercial to GM dealers in Nova Scotia and Alberta. In the United States, taking Japan on head-to-head in corporate ads has become the latest hallmark of an aggressive sales campaign. WR Grace & Co., a U.S. conglomerate with chemical, fertilizer and restaurant interests, has launched a \$2-million tv and print-ad campaign, which uses a Tokyo Giants baseball game to illustrate the question, "Is America getting better at its own game?" Although emotions run high in the U.S. at a time when its trade deficit with Japan is \$95 billion, most Madison Avenue agencies are careful not to pen ads that are considered racially offensive. But far from being stifled, most Japanese businessmen were first fired by the attention. Instead of using the excuse time to blow their own horns, says a delighted Robert Ulmer, a Japan Trade Centre official, the dealers are peering their foreign competition. ☐



Butter can be made purely and simply. Imitations can't.

Making butter is child's play. It's that simple. Naturally, you'll have to start with fresh cream* in a glass jar or similar container. Then, just shake it vigorously, until the butter separates. Drain off the buttermilk. And what is left in the container is pure, real butter. It's as easy

as that to make butter, as you can see for yourself, if you try. In fact, the butter you buy is made essentially by the same churning principle.

Naturally, the choice of what you eat is up to you. But, don't you prefer the good taste of the genuine product?

*If you start with refrigerated whipping cream, you'll have less churning to do.

Nutrition Division,
Dairy Bureau of Canada

45-gpm. motor), creates a huge electronic spread-sheet. Only a small square of it appears on the screen at one time, but by scrolling it up, down and across, the manager can easily manage the inevitable presence on one big sheet, all sorts and changes in business conditions can be entered in any box of the spread-sheet, and, in seconds, the program automatically changes all other variables accordingly. Often called the "what if" program, VisiCalc builds instant financial scenarios to aid decision-making.

His power so changed Berovick's job performance that his reports were produced ahead of schedule, more succinctly than before and, he says, his working normal office hours. He credits his computer with his promotion last September to manager of financial planning for C's entire transportation division, giving him a \$1-million annual budget to control. Since then, he has used VisiCalc to create an executive forecasting system that instantly indicates the budgetary impact of provincial increases in fuel costs, the length of trains running through the Rockies and even the daily temperature. And he says that his forecasts have permitted management to make intelligent budget cuts that enhance productivity without laying off workers. As for the real-

time mainframe people, adds Berovick: "Now they've accepted [the personal computer] and are buying 20 Apples of their own to use as terminals for their big computers. In a year and a half we've dragged them into the 21st century."

Forced to operate at maximum productivity of his, many companies simply cannot afford to ignore the personal computer. Dealers across Canada report that nearly all buyers of the IBM Personal Computer and the top-of-the-line Apple III are business users. Says Richard Gutery, service manager of Calgary's Computerland store: "Everybody's grabbing them up—small businesses, accountants, dentists, big oil companies like Alcan and Imperial Oil."

Sales are increasing exponentially even as businesses must cut back on other investments. Apple Canada Inc. reports that there are 60,000 Apple II's and Apple III's in Canada—it expects that number to double this year. Although IBM refuses to divulge sales fig-

ures, Toronto Computerland's Lewin Berovick says that that store alone has been known to sell three in one day—at about \$6,800 each (average for a personal computer). He estimates that 1,500 have been sold in Canada since the first IBM Personal Computer was delivered in November.

The debut of the IBM machine was an epochal moment. Until then the personal-computer market had been equally dominated by California's Apple Computer Inc. and Tandy Corp. of Fort Worth, Tex., whose computers are reputed to outlast its unfortunate Radio Shack label. But last fall the Battle of the personal computer revolution when IBM no longer able to ignore the upstart, put its prestige behind a small computer and marketed it through the franchised Computerland stores. Despite the fact that the IBM machine has remained bereft of all the most elementary software, sales immediately outstripped IBM's production capacity. But customers apparently accepted assurances that other manufacturers and

Business meetings, Star Trek style

Every month, George Wilson catches a Sunday evening flight from Toronto to Calgary, Alberta, to attend meetings on Monday, and then flies back home that night. But last fall he got a reprieve. Wilson, a Shell Canada executive, held a cross-country conference without leaving his plane at all. In true Star Trek style, he simply pushed a button and his Calgary colleagues appeared on a 120-cm video screen.

This is no science fiction movie. The video-teleconference screen is currently being played out in the boardrooms of such prestigious companies as IBM and the Royal Bank. The system works on a closed-circuit channel similar to that of cable television. For small businesses that can't afford the \$50,000 equipment, such hotels as Holiday Inn and Hilton now offer video-teleconference rooms. Not to be outdone, the Intercontinental Hotel chain is establishing a London-New York-Toronto video hookup by satellite, a plan that will likely lead the remainder of the jet lag for many multinational company executives. And Toronto-based Canadian Teleconference Network Inc. arranges video seminars in hotels and



Wilson (left) and colleagues, national conferences at the push of a button

conference centres across the country for independent businessmen for a \$200 session.

While the video screen might at first seem two-dimensional and alienating, the sophisticated gadgetry is eerily human. Like any attentive participant, the camera focuses on the speaker. But if a person becomes too long-winded, the camera automatically scans the other listeners for their reactions. Similarly, if someone inadvertently interrupts, the lens widens for a panel view. Says an IBM manager, Ed Tryphail: "The effect is so true to life that when someone pulls out a cigarette, you feel as though you could reach out and accept one."

The lifelike quality of the video screen can pose some problems, how-

ever. Such manifestations as drumming fingers or shaking become greatly exaggerated and distracting. Roger Weng, Professor Maurice Constant of the University of Waterloo claims that, in fact, first encounters by video can prove disastrous. "The person feels threatened, having to converse in public now deals with a new medium with the risk of public embarrassment."

Despite the drawbacks, many executives have responded well to video-teleconferences. A survey by Shell reported that 75 per cent of its participants felt completely comfortable and involved within the first five minutes. Says Wilson: "I personally found the video experience better than I had anticipated."

—MAURILE GONZALEZ

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Relativity revisited

By Pat Oblendorff

When Albert Einstein sat down with pencil and paper to formulate his theories of space, time and gravity in the early 1900s, he explored in the realm of almost pure thought. Since then, Einstein's equa-

tions have checked out flawlessly, even since the advent of sophisticated instruments measuring such things as the bending of starlight and the minute deviations of the moon's orbit. But a new U.S. discovery is now challenging Einstein's general theory of relativity—the cornerstone of modern physics—and at



Moffat: a new formula for gravity

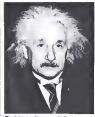
the same time adding credence to a more detailed theory of gravity put forth by a Canadian physicist.

Last month, using a unique solar telescope, Henry Hill, Philip Goode and Randall Box, physicists at the University of Arizona, confirmed something that the sun is not a perfect sphere but is rather "oblate" or egg-shaped. Discovering that its core spins about seven times faster than its surface, they determined that the resulting distortion would exert a stronger gravitational force than would a perfect sphere. "We were just checking out the sun," says Hill. "But it turns to realize this would have important implications for [Einstein's] general relativity."

Einstein's revolutionary theory, simply put, explains that gravity is four-dimensional—enough able to curve space and slow time. Large masses such as the sun, he posited, could effectively warp that grid-like space-time, just as the sun curves a planet's path into an elliptical orbit. Einstein, like Isaac Newton three centuries before him, assumed that the sun was spherical, and the orbit of Mercury has become the prime test case for his theory of gravity.

The orbit of Mercury is not a stationary ellipse but shifts gradually, so that the overlapping paths would, if traced, form a complex, mottled (Zigzag) pattern. Much of the shift can be attributed to the gravitational force of the other planets, which Newton calculated carefully. But he failed to account for a fragment of this movement, a half one per cent of the shift. Einstein's explanation for this variance was the effect of relativistic gravity.

It is this deviation, the heart of Einstein's general theory of relativity, that the Tucson results challenge. Using their data on the sun's flattened shape to test Einstein's equations, the Arizona physicists found a discrepancy in



Einstein: weathering a challenge

Mercury's movement of 26 arc seconds per century (an almost negligible distance of 216 km but miles) to the theory. They concluded that Einstein may be off a full 1.5 per cent in his calculation of the amount of space-time warp around the sun. Because there is no "proof" in Einstein's equations, his theory might not always apply.

No profound has been the impact of Einstein's theory that many have been quick to temper with it. "Scientists who have worked with Einstein's general theory of relativity appreciate it as a beautiful piece of art," comments Hill. "Once you start modifying it to account for new results, it won't be Einstein's theory anymore."

But one scientist straddled by such questions in University of Toronto physicist John Moffat. While the Tucson data may clash with Einstein's theory, it fits Moffat's perfectly. "Einstein was never completely happy with his general theory of relativity. He was always searching for a larger theory that would unify all the forces in the universe," says Moffat, who, as a young abstract painter in Paris 30 years ago, became hooked on relativity. After teaching himself advanced math and physics, he wrote to Einstein, who encouraged him to become a physicist.

Within the solar system, where gravity is comparatively weak, Moffat's and Einstein's theories appear similar. But when applied to extreme gravitational fields or to the birth of the universe, dramatic differences appear, for Moffat envisions space-time as twisting, rather than warping smoothly.

This added ingredient—expressed as a mathematical variable—means that the gravity on neutron stars (dense, collapsed stars) can be almost five times greater in Moffat's theory than in Einstein's. And new X-ray measurements of neutron stars announced last month by the Massachusetts Institute of Tech-

nology may uphold Moffat's theory.

But other physicists are wary. Since the data on neutron stars hasn't yet filtered through the scientific community, controversy centres on the Tucson results. It's premature, most physicists feel, to toss out Einstein. "There are a lot of assumptions about the interior of the sun that have to be looked at more closely before pulling this new evidence up against general relativity," says Montana State theoretical physicist Kenneth Nordberg. Later reflections of the moon, radar experiments with Mars and Venus, and precise measure-

ments of Earth's gravity, he adds, have supported Einstein so soundly that few are seeking alternatives.

What could settle the questions of the sun's shape, its effect on Mercury, and whether Einstein or Moffat is correct is a NASA *Elyse* of the sun planned for 1988. "Starprobe" will act as an "artificial planet," magnifying the orbital effects of general relativity, according to John Anderson, part of the team designing probe experiments. But the scientific furor is tempered by the knowledge that, as Moffat says, "There is no ultimate theory of the universe." ☐

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Three tales from the land of black and white

ARE, BUT YOUR LAND IS
BEAUTIFUL
by Alan Paton
(Wiley & Sons, \$17.95)

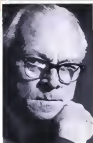
A CHAIN OF VOICES
by André Brink
(Oxford University Press, \$19.95)

WAITING FOR THE BARRA BANS
by J.M. Coetzee
(Penguin Books, \$9.95, paperback)

As a novelist, Alan Paton has been famed for living in South Africa, where there are as many obvious villains and heroes. Other South African writers, such as the two who follow, André Brink and J.M. Coetzee, have perhaps been cursed by the fact that Alan Paton has never always coupled with the title of his first novel, *Cry, the Beloved Country*, in the best-known South African writer in the world. The

other fact stapled to Paton's name is that in the '60s he founded the Liberal Party, a multiracial political group devoted to destroying by peaceful means the ever-lightening mechanisms of apartheid. In the '60s, the party and its leaders were harassed, branded into exile, banned and books sent out of existence by the Afrikaner government that he wrote his novel, *AK, the First Lord in Beautiful*. Paton presents a social-realist tableau of voices chronicling that place of his and South Africa's past.

The song of heavy-handed righteous irony is struck with the title, Paton's version of what innocent terrorists may when they wait in South Africa. The rest of the novel is played as expected: he tells the song of peaceful black protest, peaceful Indian protest, enlightened English South Africa protest, Afrikaner moral hypocrisy, and justice. The only note missing is the one that insists that because South Africa is a



Paton: mythologues people of his cause

violent place, the only way to change it is through violence. Paton, who invested so much hope and courage in his vision of change, doesn't want to inspire this, even in a novel. And so the novel tells his, Paton's Liberal character, going about their

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Arrest in his apartment (left) and under attack: the film's producers in front of the old theatre and then taken off in a spiral

FILMS

A monument to disaster, deluxe-style

DIVA
Directed by Jean-Jacques Bègin

One of the greatest joys of *Diva*, the first feature by the extraordinary talent Jean-Jacques Bègin, is that it's undeniably. As it keeps turning corners, always opening to a new and fresh vista, it's impossible to get down. Watching *Diva*, and scenes might well experience the same elation moviegoers did 30 years ago when the French new wave, carrying Godard, Truffaut and Malra, washed ashore to North America. What's most astonishing about this movie is not so much its originality of tone and sparkling kinetic drive but the assurance with which a young first-time director (Bègin is 35) has been able to pull his unique vision together.

That vision has been informed by the movies themselves. There are enough references to other movies—*Children of Paradise*, *The Secret Hour*, *Idiot*, *The French Connection*, *Point Blank*, several Hitchcock films—to provide these material for some eager beaver in film school. Yet Bègin is not really a purist; these references waltz by in the most casual fashion imaginable. His producers in front of old messes and then taken off in a spiral.

The plot, complex but beautifully worked out, operates on a fantasy level that makes perfect "movie" sense but would be puzzling if done in a realistic mode. Jules (Frédéric Amiel), a postal

messenger who rides a moped, is infatuated with a gorgeous black opera singer named Cynthia Hawkins (Wilhelmina Wagner Fernandez) who staunchly refuses to have her voice recorded. Using a highly sensitive recording device, he begins to tape a rental and, going backstage to get an autograph, he steals her silver gown. Behind him at the concert are two Taiwanese recording moguls desperate for a tape of this voice. Like a spy ring, the

The cockeyed world 'Diva' inhabits is similar to the anarchic and paranoid fantasies of new-wave music

plot thickens when a prostitute drops a tape she has made, implicating the head of the underworld, into Jules's mailbox before she is killed. Soon, the police, the underworld and the two Taiwanese are pursuing him through every nook and cranny of Paris while Jules falls more deeply for the opera singer.

One of the reasons people, especially young people, will respond to *Diva* may be found in its cockeyed sensibility, which, far from of a better time, could be called punk or new wave. Jules lives in a loft decorated with wrecked cars—his "monument to disaster, deluxe-

style." The world *Diva* inhabits is similar to the anarchic and paranoid fantasies beloved forth in new-wave music. It's a dangerous world with gangsters, sex pimps, hookers, fast cars and technology that keeps trapping everybody up. *Diva* uses tape devices more creepily than *The Conversation* and *Diva* del pat together, the whirring of tapes becomes the film's governing motif.

Amazingly, Bègin's vision isn't a downer: he's not to create magical sequences, but Bègin seems equally at home with tension in a stunning scene in which Jules drives his moped through the Paris Metro up and down stairs and escalators and (spoiler) Jules and Cynthia wandering all night through a haunted Paris. The most strangely poetic scenes of the film involve a young Vietnamese (Thuy An Luu) and her keeper (Richard Bohringer) who act as guardians asleep, taking Jules in a light-house when he's wounded.

Bègin's imagery is truly dazzling: an old white Citroën driving away from the lighthouse at dawn, a blindman playing the accordion on a nearly deserted street, a blood-spattered Jules making a call from a telephone booth, a meeting with the underworld boss in a honked-out warehouse. These risks and knits make the innovative *Diva* deliciously enjoyable, creating a special world. It may well be this decade's *Breakfast*. The analogy is appropriate, for that's how this brilliant movie leaves you.

—LAWRENCE O'TOOLE

Blind to time, place and feeling

IF YOU COULD SEE WHAT I HEAR
Directed by Eric Till

When a movie begins with a theme song announcing "I look at the world with my heart," you can sense trouble ahead. An autobiographical account of Tim Robbins, the blind singer who became a television newscaster, *If You Could See What I Hear* is a mishmash, rambling collection of recorded anecdotes strung together by the worst version of film music. Robbins, played not entirely convincingly by Steve Singer, is portrayed as a nice cat, hanging out with his sidekick, Sly (R.H. Thomson wearing his talent), and making out with the girls. One, played by Rhon Belafonte Harger, doesn't have the courage to stick with him, but another, a dull Catholic girl played by Sarah Tugger, sticks with him and brings him true love.

Apart from being poorly made (lousy script, amateur direction, ill-directed editing), *If You Could See What I Hear*, considering its subject, runs into a devastating problem—poor of view. Although Robbins served as consultant on the film, the story (such as it is) isn't told from his perspective. Naturally, of course, it could not be. But it doesn't reflect a disabled sensibility, even the title-bodied viewer will not be entirely convinced he is seeing and hearing a blind person's account of what it is like to live in the world of the sighted. *Diva* is shown to be something of a sexual athlete, which is fine, but there is no

Tugger and Singer, japing playfully



question made of any just trauma in that regard. The happy hellness can't ring true without some explanation of what he had to go through to become such a sexual conqueror.

Presumably set in New England, this Canadian production has an extremely vague sense of place, set to motion time in several instances the camera lingers on the American flag when it isn't pursuing scenes of joyless sexuality. It's just another example of a Canadian movie that is nothing more than raising a foreign flag to score up a buck.

—L. OT

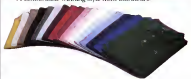
Sex and the single narcissist

SOUP FOR ONE
Directed by Jonathan Kaplan

A Dan (Paul Hume), the nice Jewish boy of *Soup for One*, is on the prowl for a dream girl with. He's so obsessed he goes to a police precinct to report a missing person—his idea of a dream girl—and is given a composite of her. An coincidence would



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Save it, his ideal (Mervyn Strassman) attends a singles weekend at a hotel to which Allan has been dragged by his obnoxious sidekick (Geri Grahame). Eventually she succumbs to his devilish charms. Allan, realising Jewish guilt has instilled the desire for matrimony in him, calls off the dogs. To make bad matters worse, Allan collides all this to a further sidekick in Rashbrook.

Soap for One, which was written and directed by Jonathan Kasler, is the kind of movie that shouts "Look how clever and irreverent I can be" while trying to make a contented and sensitive statement on human relationships. What is particularly offensive in the view taken toward the rest of the women in the movie. Other than the dream girl, they are witless well-stocked robots, a tasteless apothecary is crushed in a symbolic moment played by the usually delicious Andrea Martin of *SVU*. Kasler has given us a master-batery fantasy that should have remained private. And the singles scene Kasler ridicules is a lot more poignant and funny—this he has overimagined.

Soap for One consists (Allan works at an underground New York cable station), the effort (Maria's) good Italian father owns a debt bookstore) and updated Borzichi Belt (shaggy pilot). Neither the lovely Rashbrook nor Strassman is so untalented as to deserve this material, though Geri Grahame, acting through his teeth, may. With all its desperate smart, cheap cracks and canned sentiment, *Soap for One* comes very close to being laugh. —L. OT

Brief encounters

Vision/Vision: Julie Andrews is a down-and-out soprano who transpires as a female entrepreneur to get work and then makes it big. Robert Preston is her gay manager and assistant, and James Garner is a Chicago gangster who falls in love with her and thinks she's a star. *White Diamonds* paddy-dances in the forgotten music about sexual innuendo where Jack Lemmon and Tony Curtis did drag in *Some Like It Hot*.

Diner: A dream of a movie, written and directed by Barry Levinson, about a group of guys in their early 20s who frequent a late-night diner in Baltimore in 1959. Each of them is leaving his adolescence behind and running toward into the responsibilities of the adult future. The cast of relative unknowns is splendid, with newcomer Ellen Barkin shining brightest. *Diner* is generous but unforgotten, nostalgic without ever being gratuitous. —L. OT

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